

FY 2024 UFARS YEAR-END WORKSHOP

Welcome!!

JUNE 27, 2024



Housekeeping

- Questions can be asked at any time
- Refreshments in the back
- Restrooms
- Handouts on CMERDC website

GO TO: SMART SERVICES-SMART FINANCE



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Legislative Updates: School Unemployment Aid Funding Modifications

- **School Unemployment Aid Funding Modifications.**

Require funding to be paid on a 90/10 basis, instead of 100% in the current fiscal year, so that aid may be paid ahead of final audited data being received. There is \$135 million which is capped to June 2027. They plan to distribute \$41 million to \$45 million in FY 2024 and cap \$60 million to \$70 million in FY 2025.

Legislature will have to make a decision on what to do after the cap is reached.

MDE paid 90% due to schools, the remainder will be paid January 2025. The balance will need to set up as a receivable for FY 2024 year end.

Legislative Updates: Basic Skills Revenue

- **Basic Skills Revenue (Extended) – Account Transfer Authorized.**
- Permits School Districts to execute a one-time transfer of restricted fund balance sheet funds into another restricted balance sheet that is in alignment with uses.

Legislative Updates: Facilities

Clarifies that districts subject to non-voter approved building projects that require a review and comment do not need to publish or hold a public hearing on the results of the review and comment, except:

- Districts eligible for non-voter construction projects under Minnesota Statutes, section 126C.40, subd. 6, must hold a public meeting within 45 days of a review and comment decision.
- Changes the dates publication of review and comment to at least 48 days and not more than 70 days before a referendum. Prior legislation included not more than 60 days before a referendum.

Legislative Updates: School Food Service Fund

- Lunchroom furniture, including tables and chairs used by pupils to eat, added as an eligible expense in the school food service fund if a surplus exists for three successive years.

Legislative Updates: General Education

- Commissioner must allow districts to apply for a shift to a Four-Day School Week, and approval of four-day school week plan may not be revoked for six years from the date it is approved.
- • Districts and charters must adopt a School Cell Phone Policy by March 15, 2025. The Minnesota Elementary School Principals' Association (MESPA) and the Minnesota Association of Secondary School Principals (MASSP) must collaborate to develop best practices.

Legislative Updates: READ ACT

- MDE strongly encourages all schools to work with their professional organizations such as MREA, MSBA, Etc. on all of the definitions and understandings of the READ Act.
- There is more on the READ act later in the presentation.

American Indian Education Aid

American Indian Education Aid

- funding increased, and cooperative units included in the American Indian school aid formula.
- Increase to minimum American Indian Education Aid per district from \$20,000 to \$40,000 per year.
- Increase the minimum per-pupil amount of American Indian from \$358 to \$500 per student. Education Aid
- ***New from 2024 Legislative Update*** Districts allowed to carry forward and expend up to half unspent American Indian Education Aid fund in the next fiscal year (updated from the first 6 months)

American Indian Education Aid Calculation

There is a new American Indian Education Aid (AIEA) Calculation spreadsheet to assist districts on their AIEA calculation.

MDE > Data Center > Data Reports and Analytics > School Finance Spreadsheets > General Education

Use the Drop Downs to identify the files of interest

Category

General Education

▼

Subcategory

American Indian Education Aid

▼

Year

ALL

▼

List files

Reset

Available Files

Category	Subcategory	Year	Document	Data Files	Help Files
General Education	American Indian Education Aid	2025	FY25 American Indian Education Aid Calculation		
General Education	American Indian Education Aid	2024	FY24 American Indian Education Aid Calculation		
General Education	American Indian Education Aid	2023	FY23 American Indian Education Aid Calculation		
General Education	American Indian Education Aid	2022	FY22 American Indian Education Aid		
General Education	American Indian Education Aid	2021	FY21 American Indian Education Aid		

Class Size

- Minnesota Common Course Catalogue (MCCC) will be used to collect class size information as required by [Minnesota Statutes, section 126C.12, subdivision 7.](#) Districts need to report class size ratio by each scheduled course section offered at a school. This will require that the MCCC data is reported. MDE selected MCCC for the class size data submission because MCCC is used to collect other mandatory data submissions from districts.
- For support with MCCC, please contact [Karen Millette](#) or the mde_helpdeskmccc@state.mn.us. For support with Ed-Fi, please contact [Ed-Fi Support](#).

Adults with Disabilities Revenue

A district's Adults with Disabilities calculation has changed so that the revenue for the program will equal the lesser of:

- The actual expenditures for the approved programs and budget; or
- The greater of \$0.34 times the population of the school district or the district's adults with disabilities revenue for fiscal year 2023. If the district does not levy the entire amount, then the adults with disabilities aid is reduced in proportion to the amount levied.

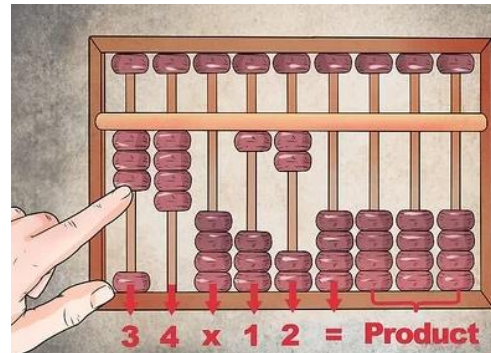
Program aid will equal the difference between the district's adult with disabilities revenue and the district's adults with disabilities levy.

The new calculation for this revenue will be reflected on the Pay24 Levy Report.

Enrollment Estimator Tools

- It is important that the most precise estimates are correct in the ADMWE System for the upcoming school years.
- The MDE Charter and District Enrollment Estimator Tools have been updated for estimating FY25 enrollment

[MDE > Districts, Schools and Educators > Business and Finance > School Finance > MARSS Student Accounting > Average Daily Membership.](#)



COVID References

- General Guidance – MDE has created documents to provide guidance in general areas such as food and nutrition, special education, and supporting students and families. This information is located at [MDE > Districts, Schools and Educators > School-Community Connections > Healthy Schools > COVID-19 Updates \(https://education.mn.gov/MDE/dse/health/covid19/\)](https://education.mn.gov/MDE/dse/health/covid19/).
- Federal Grant Guidance – Information relating to the federal grants received due to COVID-19 is located at [MDE > Districts, Schools and Educators > School-Community Connections > Health Schools > COVID-19 Updates > Federal Relief Funds \(https://education.mn.gov/MDE/dse/health/covid19/cares/\)](https://education.mn.gov/MDE/dse/health/covid19/cares/).

ARP ESSER III Obligation Dates

The final deadlines for American Rescue Plan (ARP) Elementary and Secondary School Emergency Relief (ESSER) III funds to LEAs (including finance codes 160, 161, and 169) are approaching:

- September 30, 2024: the final obligation deadline for ARP ESSER III funds
- December 16, 2024: the standard final liquidation deadline for ARP ESSER III funds



Obligation

If the obligation is for –	The date of obligation is –
Acquisition of real or personal property	On the date on which the State or subgrantee makes a binding written commitment to acquire the property.
Personal services by an employee of the State or subgrantee	When the services are performed.
Personal services by a contractor who is not an employee of the State or subgrantee	On the date on which the State or subgrantee makes a binding written commitment to obtain the services.
Performance of work other than personal services	On the date on which the State or subgrantee makes a binding written commitment to obtain the work.
Public utility services	When the State or subgrantee receives the services.
Travel	When the travel is taken.
Rental of real or personal property	When the State or subgrantee uses the property.
A pre-agreement cost that was properly approved by the Secretary under the cost principles in 2 CFR part 200, Subpart E—Cost Principles	On the first day of the grant or subgrant performance period.

The obligation deadline for ARP ESSER III funding is September 30, 2024. **There is no possibility of an extension to the obligation deadline.**

Liquidation

The liquidation date is when the LEA has received the goods or services, paid using non-federal funds, **and** has submitted all draws for reimbursement from MEGS.

For example, for a service purchased from a third-party vendor, the LEA must have signed a binding written contract by September 30 (the obligation deadline) then they must receive the service, pay the vendor, and request reimbursement by the standard liquidation deadline.

The standard liquidation deadline for ARP ESSER III funds is December 16, 2024

Federal-COVID-19 Funding Course Code Guidance

Fiscal Year (FY)	FIN 140/640 141/641 142 143/643 144/644 159	FIN 150 162/662 163/663 165	FIN 151 152 153	FIN 155 156 157 164	FIN 158 160 161	FIN 19	FIN 710
2024	Course 012	Course 013	N/A	Course 013	Course 013	Course 012	Course 000
2025	N/A	N/A	N/A	N/A	Course 014	Course 013	Course 000



Be familiar with grant end dates. Many end **September 30th, 2024.**

Unspent COVID funds being returned to the state/federal government should be moved from revenue to unearned revenue (B-01-230-000).

Federal – Documenting Personnel Costs

- Districts are required to use employee records of actual work activity to determine allowable pay and benefits charged to federal awards. This should include:
 - The employee
 - The time period being reported
 - All federal and nonfederal work paid
 - The reasonably accurate distribution of that work among cost objectives
- Salaried employees should record the percent of total work and hourly employees are required to record daily work hours.

Federal – Written Fiscal Policies and Procedures

Uniform Grant Guidance issued by the U.S. Office of Management and Budget are regulations that require organizations that received federal funds to have written policies and procedures.

Policies:

- Conflicts of interest policy
- Accounting policies
- Compensation policies
- Fringe benefits policies
- Travel policies
- Employee health and welfare policies

Procedures:

- Determining the allowability of costs
- Payment (Cash Management)
- Procurement
- Equipment management
- Time-and-effort

Food Service – Confidentiality and Disclosure of Student Meal Eligibility Status

- Households must provide consent to share their student meal eligibility information with anyone outside federal or state education and nutrition programs. This includes:
 - Athletics
 - Afterschool care
 - Standardized testing
 - Or other reduced or waived fee programs
- The consent must be in writing. It may be obtained at the time of application or at a later time.
- Should enable participants to limit consent; could use a check off system.

Free School Meals Program FAQ

MDE created a frequently asked questions document to assist with various questions relating to the Free School Meals Program.



- [MDE > Districts, Schools and Educators > School-Community Connections > Food and Nutrition > School Nutrition Programs > Free School Meals for Kids Program](#)

Helpful Websites

- Minnesota Department of Education (MDE) – <https://education.mn.gov/MDE/index.html>
- MDE Financial Management Indirect Cost Rates – <https://public.education.mn.gov/MDEAnalytics/DataTopic.jsp?TOPICID=45>
- MDE Financial Management UFARS Manual – <https://education.mn.gov/MDE/dse/schfin/fin/UFARS/>
- MDE Food and Nutrition Service – <https://education.mn.gov/MDE/dse/fns/>
- MDE Special Education Administration – <https://education.mn.gov/MDE/dse/sped/>
- Minnesota Department of Revenue – <https://www.revenue.state.mn.us>
- Minnesota Office of the State Auditor – <https://www.osa.state.mn.us>
- Office of Inspector General (Single Audit and Student Financial Assistance (SFA) Audit Information) – <https://www2.ed.gov/about/offices/list/oig/nonfed/index.html>
- U.S. Department of Education – <https://www.ed.gov>

Lease Levy Update – FY25

Finance Code 389 School District Lease Levy

School district types 01, 02, or 03 must record revenue and expenditures for lease levy authority in this code for expenditures to lease a building or parcel of land for instructional purposes only. Instructional purposes means that it relates to the current academic curriculum. Curriculum may include but is not limited to sports fields/venues utilized during physical education, additional classroom space for increased student population, facilities that meet academic curriculum requirements not found in their current facilities (i.e. computer, science, or technology labs).

Literacy Incentive Aid – Local Literacy Plan Submission

- Districts and charter schools are required to annually submit a local literacy plan to MDE.
- This is required to be submitted annually by June 15th and posted on the official school district website.
- A Local Literacy Plan Template has been created to assist in developing a plan that meets the requirements of the Minnesota READ Act.
- The plan will be submitted online through a link specific to the district.

[MDE > Districts, Schools and Educators > Teaching and Learning > Read Act > Local Literacy Plan](#)

Importance of MARSS

MDE > Districts, Schools and Educators > Business and Finance → School Finance → MARSS Student Accounting

- Data collected via MARSS is used for a of state and federal revenue calculations.
- It is important to report complete and accurate MARSS data in a timely manner.
- Each district must have a MARSS coordinator, but it is the responsibility of several staff within a school district to verify that MARSS data is accurate.
- There are interactive projection models available to calculate potential revenue impacts of MARSS data.

MARSS Importance – Compensatory Revenue

- The compensatory formula is changing for FY26. It will include only pupils eligible by direct certification for free and reduced meal prices
- This is MARSS economic indicators 07 and 08.
- It is up to the MARSS Coordinator to submit the correct economic indicator for each student.
- The coordination of economic indicators will be the new basis to the generation of compensatory revenue.



MDE Calendar Lists

- [MDE > About > Calendar](#) – This section provides a list of training opportunities or meetings by MDE.
- [MDE > Districts, Schools and Educators > Business and Finance > Data Submissions](#) – A “Minnesota District and Charter Data Reporting Calendar” is available which provides a list of reporting and data entry periods of importance to districts and schools, including a brief description of each.
- [MDE > Districts, Schools and Educators > Business and Finance > Forms](#) – This section provides a list of the forms that may need to be completed by a district.
- [MDE > Districts, Schools and Educators > Business and Finance > School Finance > Special Education](#) – A document named “Special Education School Finance Calendar.”
- [MDE > Districts, Schools and Educators > School-Community Connections > Food and Nutrition > School Nutrition Programs > Renewing Sponsors](#) A document named “School Nutrition Program and Food Distribution Program Important Dates is available of important dates and tasks School Nutrition Program sponsors must complete annually.
- [MDE > Districts, Schools and Educators > Teaching and Learning > Elementary and Secondary Education Act \(ESEA\)/Federal Title Programs > ESEA Grant Application Tools](#) – A document named “Timeline for ESEA Applications in MEGS and SERVS” is available which provides an annual timeline to the ESEA Title grant.

MDE Contact List

• Achievement and Integration	mde.integration@state.mn.us
• Charter School Lease	MDE.CharterSchoolapps@state.mn.us
• Community Ed, ECFE and School Readiness	mde.funding@state.mn.us
• ESEA/Federal Title Programs	mde.esea@state.mn.us
• External CPA Audits	mde.ufars-accounting@state.mn.us
• Facilities and Technology	mde.funding@state.mn.us
• General Education	mde.funding@state.mn.us
• IT Help Desk	mde.helpdesk@state.mn.us
• Levy Certification Process	mde.levy@state.mn.us
• MARSS Student Accounting	marss@state.mn.us

MDE Contact List

- MEGS Help Desk MEGS_MDE@state.mn.us
- Postsecondary Enrollment Options (PSEO) mde.pseofunding@state.mn.us
- School Finance, Charter Schools, Federal Aid,
Funding Projections and Trends, Non Public mde.funding@state.mn.us
- School Finance Training mde.ufars-accounting@state.mn.us
- SERVS Cashier mde.cashier@state.mn.us
- SERVS Financial mde.servs.financial@state.mn.us
- Special Education Funding mde.spedfunding@state.mn.us
- Transportation PupilTransportation.MDE@state.mn.us
- UFARS mde.ufars-accounting@state.mn.us

MEGS Reports

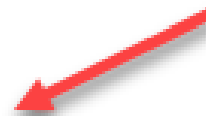
- There is a MEGS report title “Fund Stream Summary” that displays the total amount of funds available, reimbursed, and remaining for each finance and course code.
- The report can be accessed by EDIAM roles in MEGS of Bookkeeper, Data Entry, District Administrator, LEA View Only.
- Additional reports will be added to the “MEGS Reports” section of the system as they become available.

Administrative

MEGS Reports

MEGS Access / Select

Central Data with Common Assurances



Nonpublic – Guidance for Health Funding

[MDE > Districts, School and Educators > Business and Finance > School Finance > Nonpublic](#)

- Services must be provided by qualified staff and be equal to services provided to public students within the district.
- Fund cover salaries, benefits, travel and supplies.
- **Only** supplies brought to the site by the district health professional for usage in the field of physical and mental health are eligible for reimbursement. These supplies are **NOT** to be used by the nonpublic school staff and the program does not purchase supplies for the nonpublic school.
- The public school district is to make all staffing and spending decisions.

Nonpublic Pupil Transportation Aid WhatIf

MDE > Data Center > Data Reports and Analytics > School Finance Spreadsheets > Transportation

There is a new nonpublic pupil transportation aid WhatIf spreadsheet to assist districts on their nonpublic pupil transportation aid calculation.

Use the Drop Downs to identify the files of interest

Category

Transportation

▼

Subcategory

Nonpublic Pupil Transportation

▼

Year


ALL

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List files

Reset

Available Files

Category	Subcategory	Year	Document	Data Files	Help Files
Transportation	Nonpublic Pupil Transportation	2023	2023 to 2025 Nonpublic Transportation Aid What-If		

Office of the State Auditor (OSA)



Audit Resources includes:

- Legal Compliance Guide – Applies to all governmental entities

Reports + Data Analysis includes:

- School Districts – School related documents listed by year
- Special Studies – Reports and investigations by year
- Special Investigations

Training + Guidance includes:

- Avoiding Pitfalls – Grouped by category
- Statements of Position – Grouped by category

News includes:

- OSA Weekly Updates – Listed by date
- Press Releases <http://www.osa.state.mn.us>

Office of the State Auditor – Avoiding Pitfalls

- Accounting Policies
- Audits
- Bonds
- Compensation
- Computers
- Conflicts of Interest
- Contracting
- Data Practices/Records
- Deposits/Investments
- Disaster Plan
- Disbursement Process
- Employee Expenses
- Employee Payroll
- Fraud Prevention
- Gifts
- Internal Controls
- Inventory
- Meetings
- Public Purpose
- Purchasing
- Receipts
- Reporting Obligations
- Tax Issues

Office of State Auditor – Statements of Position

<https://www.osa.state.mn.us/training-guidance/guidance/statements-of-position/>

- Accounting
- Contracting
- Data Practices & Record Maintenance
- Deposits & Investments
- Internal Controls
- Public Purpose

Office of the State Auditor: Electronic Funds Transfer

- State law requires governments to adopt policies and procedures before Electronic Funds Transfer (EFTs) are made.
 - Designate business administrator the authority to make EFTs on an annual basis.
 - Disbursing bank must keep on file a certified copy of delegation of authority.
 - Person initiating the transfer must be identified.
 - The person initiating the EFT must document the request and obtain approval from the designated business administrator before initiating the transfer.
 - Written confirmation of all transactions must be made within one business day after the transactions.
 - A list of all EFTs must be submitted to board at the next regular meeting.

Office of the State Auditor: Monitor Contract Prices of Supplies

- Public entities should confirm the prices charged by the vendor matches the prices offered by the vendor when the original contract was signed.
- Allegations have been made in other states of vendors switching prices on governmental customers without the customers full understanding.
- Comparing contract prices or charging promises to actual prices and raising questions helps detect or prevent overpayment.



Office of the State Auditor: Non-Travel Employee Meal Reimbursement

- If a government employer permits meal reimbursement for non-travel necessary meals, a policy should be adopted.
- The requirements should include:
 - A fully itemized and dated original receipt
 - The reason the meal was necessary
 - If the meeting was necessary to hold during a meal time, the identities of all persons attending the meal.



Operating Referendum Renewal Guidance

MDE > Districts, Schools and Educators > Business and Finance > School Finance > General Education > Referendum

- Districts may renew one time an existing Operating Referendum under the same per-pupil amount and length of time by board approval.
- Board approval must happen by June 15 in the fiscal year prior to the last fiscal year generating revenue.
- The board renewal resolution must be sent to MDE and County Auditor by September 1.
- MDE created an “Operating Referendum Board Renewal Date Calculator”

Referendum Renewal School Board Approval Timeline

This is a set of examples of referendum expirations and renewal deadlines:

Voter Approved Referendum Date/Years*	First & Last Applicable Levy before expiration	First & Last Applicable Fiscal Year before expiration	Start of Board Renewed Operating Referendum	Board Resolution Window for Renewal
November 2015 8 years	Payable 2016 Payable 2023	Fiscal Year 2017 (FY17) Fiscal Year 2024 (FY24)	Fiscal Year 2025 FY25	May 25, 2023 June 15, 2023
November 2015 9 years	Payable 2016 Payable 2024	Fiscal Year 2017 (FY17) Fiscal Year 2025 (FY25)	Fiscal Year 2026 FY26	May 25, 2023 June 15, 2024
November 2015 10 years	Payable 2016 Payable 2025	Fiscal Year 2017 (FY17) Fiscal Year 2026 (FY26)	Fiscal Year 2027 FY27	July 1, 2023 June 15, 2025

*Dates are examples only; referendum authority is for any referendum with revenue authority expiring in FY24 and beyond.

Recording Eligible Expenses for School Unemployment Aid

MDE > About > Legislation, Rulemaking and Reports > Legislation > 2023 Session > Resources by Topic, School Finance > School Unemployment Aid

- Eligible staff includes Non-licensed hourly school-year employees who have the expectation that a position will be available for them at the start of the next school year.
- Staff will apply and be subject to the terms and qualifications through the Unemployment Insurance Program managed through DEED.
- Districts will see these new costs on their quarterly UI billings from DEED and are not eligible for levy reimbursement

School Unemployment Aid UFARS Coding

- Expenditures should be coded to Finance 000, Object 281
- All cost must be coded to Fund 01
- PRO 770 (Food Service) and PRO 505 (Community Service) will be available in Fund 01
- A survey was sent in the fall of 2023 to collect Q2 and Q3 2023 estimated cost
- Aid payments will be measured against eligible submitted UFARS coding
- MDE will not know if School Unemployment Aid is subject to proration until after the close of UFARS for the current fiscal year.



School Finance Update on Legislation

2023

[MDE > About > Legislation, Rulemaking and Reports > Legislation > 2023 Session > Resources by Topic, School Finance](#)

The link above provides information and Frequently Asked Questions (FAQs) documents on various funding areas from the 2023 Legislative Session

2024

[MDE > About > Legislation, Rulemaking and Reports > Legislation](#)

The link above provides information and the 2024 Legislative Update presentation

School Library Aid

- Districts and charter schools will receive the greater of \$16.11 per APU or \$40,000 for school districts and \$20,000 for charter schools.
- **Uses of funds**
 - salaries and benefits of a school library media specialist
 - electronic, computer and audiovisual equipment
 - information technology infrastructure and digital tools
 - electronic and material resources
 - furniture equipment or supplies.
- Use UFARS Fin 343 for Revenue and Exp closing to RSVD Balance Sheet Code 443



Special Education Service Code N

- Starting in State Fiscal Year (SFY) 2025, as a condition of using Part B, Section 611 Individuals with Disabilities Education Act (IDEA) funds for construction/remodeling projects under the Build America Buy America Act must comply with the following requirements:
 - All iron and steel used in the infrastructure project or activity are produced in the United States.
 - All manufactured products used in the infrastructure project or activity are produced in the United States.
 - All construction materials are manufactured in the United States.
- The U.S. Department of Education has developed a Frequently Asked Questions document <https://www2.ed.gov/policy/fund/guid/buy-america/faqs.pdf>

Special Education – SEDRA – Cross District Errors

- SEDRA entries with a file folder number are edited against all other FTEs entered for that same folder number. A cross-district error is generated if the FTE exceeds the established limits.
- Districts must have a system of controls to verify actual start and stop times of individuals or MDE will not approve the cost.
- Districts need to be able to document the hours they are claiming since state/federal funds cannot be used for duplicate payments.
- Telework staff will be a point of emphasis for SFY 24 and later years.

Special Education – Uniform Tuition Billing One-to-One Service Forms

- Beginning in SFY 2024 all information will be entered into SEDRA. Information required includes:
 - Name of professional or type of equipment/service
 - Status begin date MM/DD/YY format on the Minnesota Automated Reporting Student System (MARSS) record
 - Dates of service MM/DD/YY beginning and ending
 - Total hours for the service
 - Serving district name, district number, and district type
 - Resident district name, district number, and district type
 - Learner information: Last name, first name, MARSS number, grade, primary disability code, and date of birth
 - Serving school site number (not district number)
 - Email the Special Education Funding and Data Team with the line number and what the line is for (One-to-One professional or service)

Special Education – Paraprofessional Qualification Requirements

Paraprofessional with Less than 3 years experience:

- At least two years of college credits (usually 60 credits in Minnesota) through an accredited institution of higher education; or
- An associate's or higher degree;
- A passing score on a valid and reliable formal assessment

Paraprofessional with at least 3 years experience:

- At least two years of college credits (usually 60 credits in Minnesota) through an accredited institution of higher education; or
- An associate's or higher degree;
- A passing score on a valid and reliable formal assessment
- Has three years' experience working as a paraprofessional and has met the requirements of the Paraprofessional Credential Competency Grid.

Special Education – Paraprofessional Qualification Requirements

- There are two state-approved Paraprofessional assessments:
 - The Paraeducator Assessments in Minnesota requires passing scores of 65% for the Instructional Support Test and 70% for the Knowledge and Application Test.
 - The ParaPro assessment in Minnesota requires a combined passing score of 460.
- Testing, registration, or report fees; training materials; preparation classes; study time; practice exams; test taking time are not eligible for special education funding.
- If a paraprofessional has worked more than 3 years and does not have a passing score on one of the assessment, a completed Paraprofessional Competency Grid may be used.
- Paraprofessional service time is not eligible to be included in special education until the paraprofessional meets the requirements to be considered qualified.

Student Support Personnel Aid

Student Support Personnel Aid funding may be used to fund salaries and benefits of a new Full Time Equivalent (FTE) working within the area of their training and licensure for:

- Licensed school counselor
- Licensed school psychologist
- Licensed school social worker
- Licensed school nurse
- Licensed chemical dependency counselors



Student Support Personnel: Allowable Use Conditions

Districts and Charters may:

- Increase FTE of part-time licensed staff above pre-pandemic levels
- Continue direct hire employees currently funded with ESSER/ARP funds whose positions are ending. Note: the original position must have been hired to increase FTE due to the pandemic.
- Hire new FTE – part time or full time -- in the licensed positions as long as the FTE is above pre-pandemic levels.
- Consider contracted staff if your district does not get at least two qualified candidates for the new FTE positions in the current year.
- Contract for services in one of the 5 licensed fields only after attempting to hire and not receiving at least 2 qualified applicants in the current year.

Student Support Personnel Aid

- ****New from Legislative update **** Districts and Charters will be allowed to retain unspent aid in a restricted fund balance, limited to the amount of the prior year's aid allocation. Balance Sheet code 471.
- Cooperative portion will not be retained and will be reclaimed by MDE.
- UFARS coding
 - Student Support Personnel Aid = Finance 373
 - Student Support Personnel Aid – Cooperative or Intermediate = Finance 374
 - For revenues use source code 300

Student Support Personnel Aid

- A FAQ document is available: [MDE > About > Legislation, Rulemaking and Reports > Legislation > 2023 Session > Resources by Topic, School Finance > Student Support Personnel Aid](#)
- Examples of scenarios and accounting treatment found on pages 41-44

Purchase for Service Scenario 1: A contracting district employs a .5 FTE SSP. A local serving district NEEDS a .5 FTE SSP but cannot find one. The contracting district increases their SSP FTE to 1.0 and contracts out .5 FTE to the service district.	
District A (Contracting District)	District B (Serving District)
Receives SSPA district revenue. Hires SSP.	Receives SSP district revenue. <i>Contracts for services</i> from District A to service District B enrolled students.

Student Support- Grid

FIN	Description	Funds	Org	Programs	Object
373	Student Support Personnel Aid	01	001-999	710-712 Counseling and Guidance 720 Health Services 730 Psychological and Health Services 740 Social Work Services	154, 156-157, 165, 169, 199, 210-280, 290-291, 299, 316, 345, 347-348, 375, 377-378, 396-397

Code Title and Definition

303 Federal Subawards and Subcontracts (amount up to \$25,000)

- School Nurse Services – Object Code 375
- Licensed Nursing Services – Object Code 376
- School Social Worker Services – Object Code 377
- School Psychologist Services – Object Code 378
- Qualified Mental Health Professional Services – Object Code 379

Transportation – Bus Inventory System Instructions

Roles in BIS

Role	Enter and Update Data	View Data
BIS-District User (multiple people in a district/charter can have this role)	X	X
BIS-District Viewer (multiple people in a district/charter can have this role)	X	X

- Allows a user to view bus inventory and make changes.
- If your district previously reported a school bus transaction form, a vehicle listing from MDE will be available.
- Districts may make corrections or additions to school bus inventories with the regular reporting timelines.

[MDE](#) > [Districts, Schools and Educators](#) > [School Finance](#) > [Transportation](#) > [Resources](#)

Transportation – Charter School Students

MDE > Districts, Schools and Educators > Business and Finance > School Finance > Transportation > By Student Type

- There are many transportation issues that a charter school must consider:
 - Selecting a site
 - District-Provided Transportation
 - Charter School Provided Transportation
 - Transportation Policy
 - Other Importation Points about Transportation
 - Mileage Reimbursement Program



Tax Shift Reporting

- The County collects property taxes on a calendar year basis. The tax shift entry distributes the tax revenues based on the district's fiscal year.
- MDE will create an interactive spreadsheet that will allow districts to calculate the tax shift. It will be available on the MDE website: [MDE > Districts, Schools and Educators > Business and Finance > School Finance > Levy Certification Process > Tax Shift Information](#)
- Districts will need to enter tax settlement payment information in the Funds Tab.
- The spreadsheet shows the JE that will be created for recording the property tax shift on the lower portion of the Report Tab.
- MDE advises everyone to use the spreadsheet and not to vary from the proposed entry that is calculated for you. Instructions are included on the first tab.

UFARS Reporting Deadlines



- Prelim. Unaudited UFARS data – September 16, 2024
- Audited Final UFARS data - December 2, 2024
 - When MDE receives an audited file, they will review the data and e-mail districts with questions or concerns.
- Fiscal Compliance Table – December 2, 2024
- Audit reports submitted to MDE and State Auditor – December 31, 2024

Regional Year End Closes

In Fiscal 2023

Region 3 uploaded

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UFARS files



RMIC Close Schedule

- First Close- The first close can take several hours please request the first submission by noon.
- Subsequent Closes- Please request by 3 pm to allow for same day submission
- September 16th deadline- Please have request submitted to Region 3 by **noon on Thursday, September 12th**
- December 2nd deadline- Please have request submitted **by noon November 26th**. NOTE Region 3 is closed November 28th and 29th with no support available.



UFARS Year- End Single Audit

- According to Audit Requirements, a non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single audit conducted.
- Entities spending \$750,000 or more must electronically file a Single Audit reporting package for collection under the Uniform Guidance to the Federal Audit Clearinghouse (FAC).
- Effective October 1, 2024, the Single Audit threshold increases to \$1,000,000.

Fiscal Compliance Table

- Found on MDE website under Districts, Schools and Educators > Business and Finance > Data Submissions> Fiscal Compliance Table (listed on the left)

Username is: comp

Password is: Gr3en

- Comparison between the audited financial data and the submitted UFARS data. Discrepancies need to be corrected.

Edit Process and Turnaround Report

- Each time after a district's UFARS submission has been processed and edited, a new set of UFARS Turnaround Reports are posted on the MDE MFR Website
- Make sure the date has updated on ALL turnaround reports the day after have a closing file submitted.
- The prior submission's reports will be written over, so districts must save a printed or electronic copy locally after each submission to retain a record of past activity

Edit Process and Turnaround Report

- Edit checks for UFARS submission files can be divided into three categories:
 - fatal errors will cause a file to be rejected
 - reporting errors must be corrected prior to the final submission of audited UFARS data
 - warnings should be checked to make sure data is accurate

Edit Process and Turnaround Report

REPORTING ERRORS

- Reporting errors indicate expenditures do not align with coding requirements, found in Chapter 10 of the UFARS Manual.
- These may be Balance Sheet or Dimension edits that will need to be corrected before the final Audited submission.
- Review pages 62-63 for these edits along with our year end checklists

Budget Publication

- FY 2025 Budget must be board approved prior to July 1, 2024.
- Form ED-00110-XX District Revenues and Expenditures Budget must be published by each school district (including Joint powers organizations and highly recommended for Charter Schools) by November 30, or one week after the school board accepts the final audit of the previous fiscal year, whichever is earlier.
- Include it on the district's website with a link to the district's school report card.
- Found on MDE>Districts, Schools and Educators>Business and Finance>Forms

2024 UFARS Code Changes- Program

Changes

- 217 – Assurance of Mastery (AOM) (February 2024)
- 219 – English Learner (EL) (November 2023)
- 278 – Regular School Day – Additional Time and Summer (November 2023)
- 579 – Preschool – Instructional (Fund 04) (July 2023)
- 712 – Elementary Counseling and Guidance Services (February 2024)

No Additions or Deletions

2024 UFARS Code Changes- Finance

Changes

- 174 – Other Coronavirus Aid, Relief, and Economic Security (CARES) Act Funding Received Through Other Local Entities (Funds 01, 02 and 04) (July 2023)
- 303 – Area Learning Center (Fund 01) (July 2023)
- 317 – Basic Skills (Fund 01) (July 2023)
- 324 – Adult Basic Education Supplemental Services (Fund 04) (July 2023)
- 342 – Safe Schools Revenue (December 2023)
- 344 – School Readiness (Funds 01 and 04) (December 2023)
- 348 – Charter School Lease Aid/School District Lease Levy Authority (Fd 01) (July 2023)
- 355 – Voluntary Prekindergarten Remodeling Costs (Funds 1 and 6) (July 2023)
- 438/638 – Federal Adult Basic Education Formula Revenue (Fund 04) (July 2023)
- 510 – Indian Elementary and Secondary School Assistance (March 2024)
- 801/901 ABE Integrated English Literacy and Civics Education (Fund 04) (July 2023)

2024 UFARS Code Changes- Finance

Deletions

- 151 – Elementary and Secondary Schools Education Relief (ESSER) Fund – 90% Formula Allocation (Funds 01, 02 and 04) (July 2023)
- 152 – Elementary and Secondary Schools Education Relief (ESSER) Fund – 9.5% State-Directed Grants (Funds 01, 02 and 04) (July 2023)
- 153 –Governor’s Emergency Education Relief (GEER) Fund (Funds 01,02,04) (July 2023)
- 165 – Summer Preschool Program (4 and 5 Year Olds) (Fund 04) (July 2023)
- 166/665 – American Rescue Plan (ARP) Adult Basic Education (ABE) (Fund 04) (July 2023)
- 168 – Summer School Age Care (SAC) (July 2023)
- 171 – Pandemic Enrollment Loss (July 2023)
- 173 – Federal Paycheck Protection Program (PPP) (Funds 01 and 04) (July 2023)
- 309 – Basic Skills for Extended Time (Fund 01) (July 2023)
- 375 – Grants to Prepare Indian Teachers (Fund 01) (March 2024)
- 518-ARRA Targeted Funds- Head Start Funds

2024 UFARS Code Changes- Finance

Additions

- 312 – Literacy Incentive Aid (July 2023)
- 314 – Paraprofessional Training (July 2023)
- 339 – English Learner (Fund 01) (July and December 2023)
- 343 – School Library Aid (Fund 01) (July and December 2023)
- 373 – Student Support Personnel (Fund 01) (July and December 2023)
- 374 – Student Support Personnel – Cooperative or Intermediate (Fund 01) (July and December 2023)
- 722 – Area Learning Center (ALC) Transportation Aid (Fund 01) (July 2023)
- 742 – Special Education Separate Sites and Programs (Fund 01) (July 2023)

2024 UFARS Code Changes- Object

Changes

- 169 – Alcohol and Chemical Dependency Counselor (November 2023)
- 220 – Health Insurance (February 2024)
- 335 – Short-Term Lease Payments or Short-Term Rentals (February 2024)
- 369 – Entry Fees/Student Travel Allowances (February 2024)
- 396 – Salary Purchased from Another District/Cooperative (November 2023)
- 397 – Benefits Purchased from Another District/Cooperative (November 2023)
- 896 – Taxes, Special Assessments, and Interest Penalties (July 2023)
- 899 – Miscellaneous Expenditures (July 2023)

Deletions

- 380 – Short-Term Leases for Computer or Technology Related Hardware Rental (July 2023)

2024 UFARS Code Changes- Source

Changes

- 369 – Other Revenue from other State Agencies (December 2023)
- 400 – Federal Aids Received Through MDE (Except as Noted for Food and Nutrition) (July 2023)
- 629 – Health and Safety Other Revenue (July 2023)

Deletions

- 212 – Literacy Incentive Aid (Fund 01) (July 2023)

2024 UFARS Code Changes- Course

There are over 20 changes due to the federal funds see the complete UFARS Manual for specifics.

Deletions

- 621 – Highly Qualified Staff (Second Prior Year Federal Award) (July 2023)
- 626 – School Choice and Supplemental Educational Services (Second Prior Year Federal Award) (July 2023)
- 627 – Highly Qualified Staff (Prior Year Federal Award) (July 2023)
- 632 – School Choice and Supplemental Educational Services (Prior Year Federal Award) (July 2023)
- 634 – Highly Qualified Staff (Current Year Federal Award) (July 2023)
- 639 – School Choice and Supplemental Educational Services (Current Year Federal Award) (July 2023)
- 667 – School Improvement Implementation Set-Aside (Current Year) (July 2023)
- 668 – School Improvement Implementation Set-Aside (Prior Year Federal Award) (July 2023)
- 669 – School Improvement Implementation Set-Aside (Second Prior Year Federal Award) (July 2023)

Additions

- 684 – Gender-Neutral Single-User Restroom

Gender Neutral Single Use Restroom

- UFARS Finance Code 302 – Operating Capital and Finance Code 384 – Site Projects include description updates
- New Course Code: 684 Gender-Neutral Single-User Restroom
- Record expenditures for remodeling and/or constructing a gender-neutral single-user restroom per Minnesota Statutes 2023, section 123B.595, subd. 10(a)(4).
- Must use this course code with Finance Codes 000, 302 Operating Capital or 384 Site Projects.

2024 UFARS Code Changes- Balance Sheet

Changes

- 431 – Restricted/Reserved for Community Education (Fund 04) (July 2023)
- 447 – Restricted/Reserved for Adult Basic Education (ABE) (Fund 04) (July 2023)
- 449 – Restricted/Reserved for Safe Schools Revenue (Fund 01) (November 2023)

Additions

- 412 – Restricted/Reserved for Literacy Incentive Aid (Fund 01) (July 2023)
- 420 – Restricted/Reserved for American Indian Education Aid (Fund 01)
- 439 – Restricted/Reserved for English Learner (Fund 01) (July 2023)
- 443 – Restricted/Reserved for School Library Aid (Fund 01) (July and November 2023)
- 471 – Restricted/Reserved for Student Support Personnel Aid (Fund 01)

Finance Code and Balance Sheet Combinations FY 24

UFARS Finance Code and Balance Sheet Combinations FY 2023-24
UFARS Manual – [Finance Chapter](#) and [Balance Sheet Chapter](#)

Finance Code	Balance Sheet Code – Restricted/Reserved for:
175 – Title VII – Impact Aid	475 – Title VII – Impact Aid Funds *
176 – Payments in Lieu of Taxes (PILT)	476 – Payments in Lieu of Taxes (PILT) *
301 – Extracurricular Activities	401 – Student Activities *
302 – Operating Capital	424 – Operating Capital *MDE
303 – Area Learning Center	434 – Area Learning Center *
304 – Contracted Alternative Programs	435 – Contracted Alternative Programs *
305 – State-Approved Public Alternative Programs	436 – State-Approved Alternative Programs *
No Finance Code Associated	459 – Basic Skills Extended Time *
310 – Interdistrict Cooperative Activities	408 – Cooperative Programs *
312 – Literacy Incentive Aid	412 – Literacy Incentive Aid *
313 – Achievement and Integration Aid and Levy	448 – Achievement and Integration Revenue *

All codes build in SMART now must use the class subclass feature where the class is the closing account.

When you are building new codes in SMART use this page as a guide to make sure you have the correct class/closing account.

Finance Code and Balance Sheet Combinations FY 24

UFARS Account Analysis Account View 06/13/2022 202212 - Query Mode

Start Period 202201 End Period 202212 Inc Budget ☒ Code 22RVSD

UFARS								District											
Co	L	Fd	Org	Pro	Crs	Fin	O/S	Co	L	Fd	Org	Pro	Crs	Fin	O/S	Typ	Fin Co		
						316													

UFARS Account Analysis- Will show how a code is reported in UFARS. In this example we query Fin 316.

The state sees Fin 316 but the district shows Fin 306 and 308 (this is a crosswalk).

✎ UFARS Account Analysis Account View 06/13/2022 202212 - Edit Mode

Start Period 202201 End Period 202212 Inc Budget ☒ Code 22RVSD Inc Encumbrances

UFARS								District											
Co	L	Fd	Org	Pro	Crs	Fin	O/S	Co	L	Fd	Org	Pro	Crs	Fin	O/S	Type	Fin Cd	Class	Sub-Class
E	01	010	640	000		316	140	0640	E	01	010	640	000	306	140	F	B	403	00
E	01	010	640	000		316	210	0640	E	01	010	640	000	306	210	F	B	403	00
E	01	005	640	000		316	365	0640	E	01	005	640	733	308	365	F	B	403	00
E	01	005	640	000		316	185	0640	E	01	005	640	000	316	185	F	B	403	00
E	01	005	640	000		316	214	0640	E	01	005	640	000	316	214	F	B	403	00

Note the Class/Sub-Class. Scroll through the list of codes to ensure all are B-403.

New Balance Sheet

If you built
your codes
earlier in the
year go back
and update the
Class/Sub Class
to ensure the
correct closing
account

Chart-of-Accounts - Edit Mode

Description

Comp	L	Fd	Org	Pro	Crs	Fin	O/S	Type
	E	01	020	710	000	373	165	F

Description School Counselor

FinCode	Class	Sub-Class	Appl	Type
Bal	422	00	GL	Debit

References

Ref1

Ref2

Ref3

Dates

Start Period 202401

End Period 999999

Closing Account

Comp	L	Fd	Org	Pro	Crs	Fin	O/S	Type
0640	B	01	422	000				F

Description Fund Balance

Chart-of-Accounts - Edit Mode

Description

Comp	L	Fd	Org	Pro	Crs	Fin	O/S	Type
	R	01	005	000	000	373	300	F

Description Student Support Personnel

FinCode	Class	Sub-Class	Appl	Type
Bal	471	00	GL	Credit

References

Ref1

Ref2

Ref3

Dates

Start Period 202401

End Period 999999

Closing Account

Comp	L	Fd	Org	Pro	Crs	Fin	O/S	Type
0511	B	01	471	000				F

Description RST/RVD STUD SUPPORT PERSONNEL

Advanced Query

Budgets

Fund Balance: Restricted/Reserved Revenue Statutes

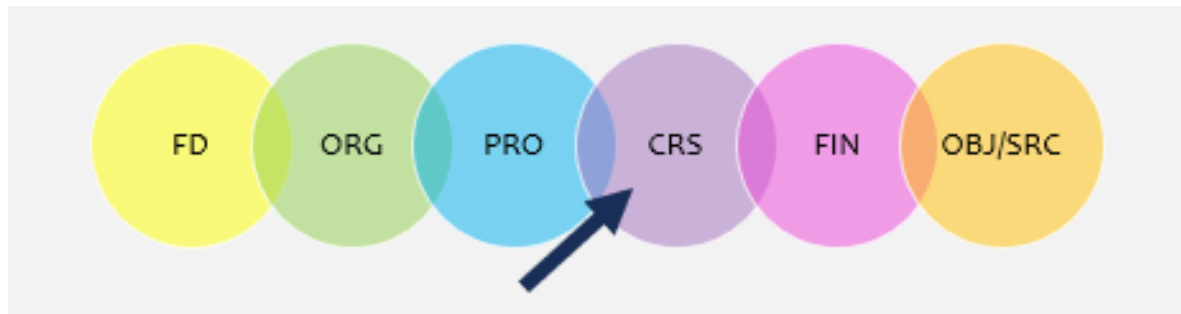
UFARS – Fund Balance/Restricted Revenue Statutes

Achievement and Integration	<u>Minn. Stat. § 124D.861</u> <u>Minn. Stat. § 124D.862</u>
Adult Basic Education	<u>Minn. Stat. § 124D.52</u> <u>Minn. Stat. § 124D.522</u> <u>Minn. Stat. § 124D.531</u> <u>Minn. Stat. § 124D.55</u>
After School Enrichment	<u>Minn. Stat. § 124D.19, subd. 12 and 13</u>
Area Learning Center	<u>Minn. Stat. § 123A.05, subd. 1(b)</u> <u>Minn. Stat. § 123A.05, subd. 2</u> <u>Minn. Stat. § 126C.05, subd. 15(b)</u>
Basic Skills/Basic Skills for Extended Time	<u>Minn. Stat. § 126C.10, subd. 3</u> <u>Minn. Stat. § 126C.10, subd. 4</u> <u>Minn. Stat. § 126C.15, subd. 1</u>
Capital Projects Levy	<u>Minn. Stat. § 123B.63</u> <u>Minn. Stat. § 126C.10, subd. 14</u>



Reporting Federal Funds by Award Year

- For all federal programs paid through SERV'S Financial, districts must use course dimension codes
 - 000 when recording expenditures of current year federal awards
 - 011 for prior year federal awards
 - 012 for second prior year federal awards.
- The use of these course codes to record federal revenues is also highly recommended.



State Receivables

A majority of the receivables can be setup by:

Taking the amount from June 30th IDEAS report

Part 1 Column 4, Annual UFARS Revenue

– Part 2 Column 1, Cumulative Amount Due

= Receivable Amount to book

Other adjustments during the year can be entered as JE's so the revenue account shows the same as Column 4 Annual UFARS Revenue amount.

The MDE Revenue Projection Model can also be used to calculate state receivables.

2024 – Compensatory Uses

(c) For fiscal year 2024 and later, a district's basic skills revenue must be used for:

(1) remedial instruction and necessary materials in reading, language arts, mathematics, other content areas, or study skills to improve the achievement level of these learners;

(2) additional teachers and teacher aides to provide more individualized instruction to these learners through individual tutoring, lower instructor-to-learner ratios, or team teaching;

(3) a longer school day or week during the regular school year or through a summer program that may be offered directly by the site or under a performance-based contract with a community-based organization;

(4) programs to reduce truancy; provide counseling services, guidance services, and social work services; and provide coordination for pupils receiving services from other governmental agencies;

(5) bilingual programs, bicultural programs, and programs for English learners;

(6) early education programs, parent-training programs, early childhood special education, school readiness programs, kindergarten programs for four-year-olds, voluntary home visits under section [124D.13, subdivision 4](#), and other outreach efforts designed to prepare children for kindergarten;

(7) transition programs operated by school districts for special education students until the age of 22;

(8) substantial parent involvement in developing and implementing remedial education or intervention plans for a learner, including learning contracts between the school, the learner, and the parent that establish achievement goals and responsibilities of the learner and the learner's parent or guardian; and

(9) professional development for teachers on meeting the needs of English learners, using assessment tools and data to monitor student progress, and reducing the use of exclusionary discipline, and training for tutors and staff in extended day programs to enhance staff's knowledge in content areas.

2024- Compensatory

Compensatory Revenue for FY24 is a hold harmless year.

For **FY25**, Compensatory Revenue will be calculated under current law but subject to a revenue hold harmless to FY24 final revenue.

FY26 and later will use direct certification eligible students as the **new base calculation for compensatory** along with a statewide revenue floor through FY27. There will be no hold harmless.

This fall, October 2024, will calculate the FY26 revenue and only include pupils eligible by direct certification - **MARSS economic indicators 07 and 08**

2024- Compensatory

- Districts must allocate at least **80% of their compensatory revenue to the site that generated** the revenue, an increase from 50%.
- There were some changes to compensatory uses including **elimination of all day kindergarten** and elimination of insurance of mastery program.

Basic Skills Extended Time Bal 459

- Changes in the Basic Skills Statute eliminated the ability to use funds in Bal 459 Restricted/Reserved for Basic Skills Extended time.
- A one-time transfer from Bal 459 Restricted/Reserved for Basic Skills Extended time to Bal 441 Restricted Reserve for Basic Skills Program is required to zero out the balance in Bal 459.
- Districts have until 6/30/2025 to make this transfer and do NOT need school board action.
- The funds transferred to Bal 441 are eligible to be spent on any of the Fin 317 uses.

GASB 96 Subscription-Based Information Technology Arrangements (SBITAs)

- Effective for Fiscal Year ended June 30, 2023
- Standards for SBITAs based on GASB Statement No. 87, Leases
- Defined as a contract that conveys control of the right to use another party's information technology software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in exchange or exchange-like transaction.

GASB 96 Common Examples

Common Examples

- Software

Ex. Microsoft Office, Quickbooks, multifunctional copiers (software component), etc.

- Website Subscriptions

- Digital Textbooks or curriculum add on



GASB 96 Implementation Process

- Continue to maintain an inventory of subscriptions
- Review agreements for relevant data
 - Contract date
 - Control criteria-school must have control over the right to use the asset
 - Short Term SBITAs (12 months or less)-Not recognized as a liability
- Complete SBITA accounting and consider ongoing impacts
 - Determine discount rate to calculate the present value of the liability/asset

GASB 96 UFARS Coding

The following object codes were added in FY 2023:

- 562 Principal on Long-Term Non-Instructional Subscription-Based Information Technology Arrangements (SBITAs)
- 563 Interest on Long-Term Subscription-Based Information Technology Arrangements (SBITAs)
- 564 Principal on Long-Term for Instructional Subscription-Based Information Technology Arrangements (SBITAs)

LTFM 10-Year Plan

Complete LTFM 10-Year Plan Components:

1. LTFM 10-Year Expenditure Plan (spreadsheet)
2. LTFM 10-Year Revenue Projection (spreadsheet)
3. A signed Statement of Assurances (signed by superintendent)
4. Proof of School Board Approval (signed by board clerk)
5. Narratives and/or Bond Schedules may be required

Plan must be submitted by July 31st to mde.facilities@state.mn.us

UFARS Manual

Search the

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page manual

Region IV - Marshall

UFARS Procedures – Reporting Federal r.....

UFARS Accounting Checklist.....

State Credits and Other Receivables.....

Revenue Recognition.....

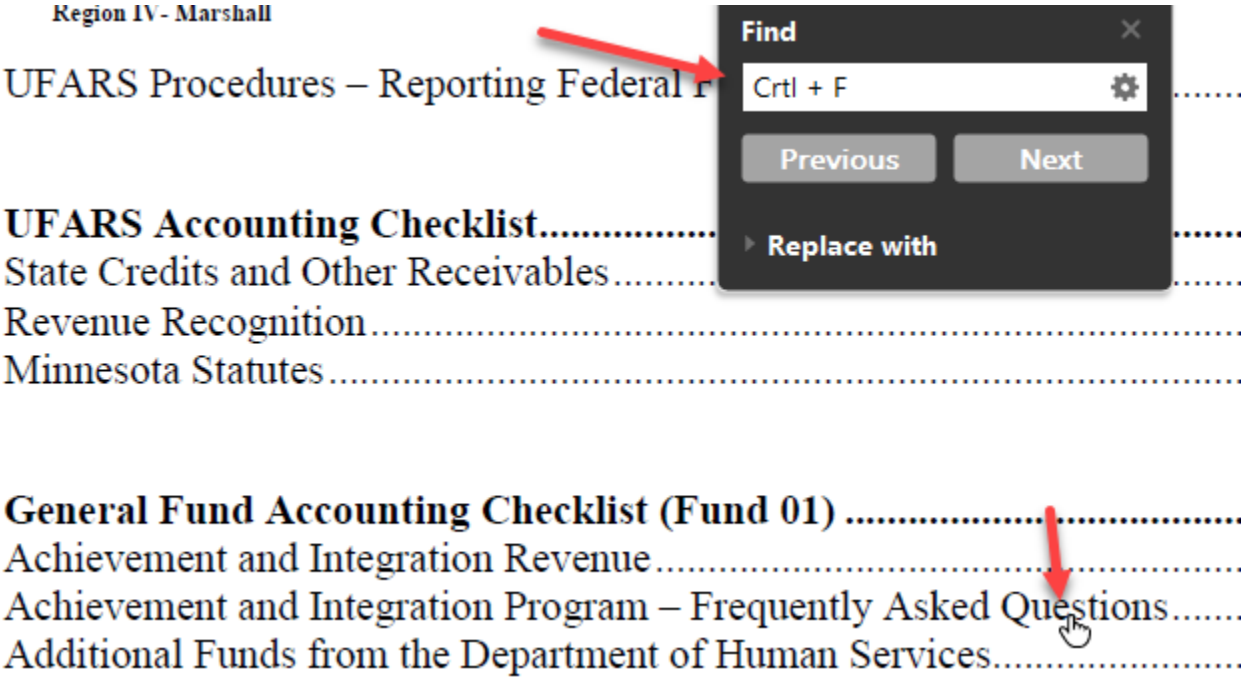
Minnesota Statutes.....

General Fund Accounting Checklist (Fund 01)

Achievement and Integration Revenue.....

Achievement and Integration Program – Frequently Asked Questions.....

Additional Funds from the Department of Human Services.....



Updates for FY24 and FY 25



The More You Know

ECSE Slot Fees

Early Childhood Special Education (ECSE) Slot Fees

- When an Individualized Education Program (IEP) places a student into ECSE they can report the educational time in MARSS under grade level EC to generate Gen Ed Revenue.
- Use Finance Code 000 Districtwide since this is a General Education cost.
- Use Program Code 400 General Sp Ed or Program Code 412 Developmentally Delayed
- Since the Finance Code is 000 and the cost is not eligible for Special Education reimbursement. LEAs should use Object Code 305 Consulting Fees/Fees for Services, Object Code 390 Payments for Educational Purposes to Other Minnesota School Districts, or Object Code 393 Special Education and Transition Programs for Children with Disability Contracted Services.
- For questions regarding Early Childhood Special Education please contact mde.spedfunding@state.mn.us .

2024- Paid Para Training

Paid Paraprofessional Training

- Starting FY24, LEAs must provide a **minimum of 8 hours** of annual paid paraprofessional professional development, provided the following are met:
 - Professional development or training must be relevant to their employment;
 - Six of the hours must be before first instructional day or within 30 days of hiring;
 - Only Wage, TRA, PERA and FICA allowed for reimbursement.
- Expenditures should be coded to Finance 314.

Reimbursement, starting in FY25, equals prior year compensation expenses associated with eight hours of paid orientation and professional development. This revenue should be booked as a receivable Finance 314 Source 300.

2025- Paid Para Training

Paid Paraprofessional Training

- Starting FY25, LEAs are required to provide **6 hours** of annual paid paraprofessional professional development and may be reimbursed for up to 6 hours.
 - These expenditures and revenue should be coded to Finance 314.
 - Eligible reimbursement for hourly wage, FICA, TRA, PERA.
- A separate payment equal to 2 hours of the district average wage rate will be made to districts.
 - There will be a NEW finance code for these expenditures and revenue.
 - This funding should be used to get staff highly qualified by the end of FY25.

2024- Special Education Cross Subsidy

Aid Factor Change:

FY23: 6.43%

FY24-26: 44%

FY27: 50%

The “Initial Cross Subsidy” is defined as:

- the nonfederal cost of special education, including transportation, minus
- the state special education aid received after tuition adjustments, minus
- the general ed revenue attributable to students receiving SpEd services outside of the regular classroom for more than 60% of the school day (portion attributable to instruction outside of the regular classroom).

Alternative Teacher Compensation (Q-Comp)

Revenue Reserved – FY25

- Starting in FY25, unused funding for Q Comp will be reserved in a restricted fund balance.
- Must only be used for Q Comps intended purpose.
- The fund balance will not be allowed to go deficit.

School Food Service Fund

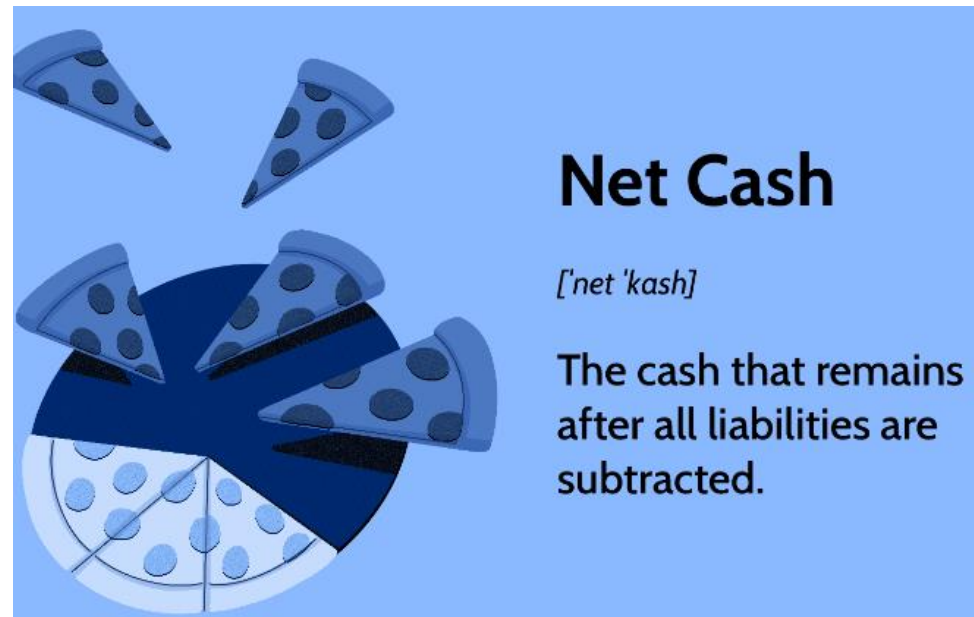
- Lunchroom furniture, including tables and chairs used by pupils to eat, is eligible to be paid under school food service funds if there is a surplus exist for three consecutive years.
- This starts July 1, 2024, so you can look back to the last 3 years.
- Pre-approval is NOT required



Food Service-Net Cash Resource Limitation- Temporary Flexibility

Effective July 1, 2022, Minnesota Department of Education (MDE) is increasing the net cash resource limitation to six months average operating expenditures.

It is anticipated to return to 3 months in FY 26



Food Service-Supply Chain Assistance Funds

Supply Chain Assistance

4th Allocation	Oct-Nov 2023	Payment of 4th Allocation Supply Chain Assistance Funds
Re-Allocation	May 2024	Payment of Re-Allocation Supply Chain Assistance Funds

- Revenue
 - R02-XXX-770-000-710-471 Required
 - Can use Course Code 000 for all fiscal years of the Finance Code 710
- Expense
 - E02-XXX-770-000-710-490 Food
 - E02-XXX-770-000-710-495 Milk
- Considered fully expended when Total Revenue FIN710 = Total Expense FIN710 (No Deadline)

Food Service-Farm to School Grants

- The Farm to School Grants are being administered by MDE food service.
- The AGRI Equipment Grant is funded by *State* funds (for equipment). Use revenue code 02-XXX-770-000-701-369 and code expenditures to 02-XXX-770-000-701-5XX.
- The Farm to School First Bite Grant is *federal* revenue (for food). The revenue code is 02-XXX-770-000-699-405.
- For the *federal* expenditures please use codes 02-XXX-770-000-699-XXX.

For questions regarding these grants, please email: mde.fns@state.mn.us

Prohibition of Advance Payment to FSMC/Vended Provider

- FSMC or Vended Meal Providers invoicing the Food Service Program prior to services performed and the funds returned as a credit on the last invoice of the school year is an unallowable expense to the nonprofit school foodservice account.
- Public funds can only be utilized to serve a public purpose rather than a private purpose (Office of the State Auditor).
- Keep in mind that the SFA is contracting with a for-profit company that assumes all costs of doing business.
- For questions regarding Nutrition Program Services please contact MDE – Nutrition Program Services (mde.fns@state.mn.us).

2024- English Learner Aid and Cross Subsidy

English Learner Aid, EL Concentration Aid and EL Cross Subsidy

Reduction Aid:

FY24– 26: \$ 1,228 time the greater of 20 or total English Learner ADM; and \$436 times English Learner Pupil Units (concentration).

FY27: \$1,775 times the greater of 20 or total English Learner ADM; and \$630 times English Learner Pupil Units (concentration); and 25% EL Cross Subsidy Aid Reduction based on second prior year qualifying services

More Information to Come

The additional English Learner (EL) Cross Subsidy funding included on the IDEAS report is recorded with:

- In FY '24, English Learner could be coded to Finance 317 and Source 300. Close to Balance Sheet 441 **OR** be recorded with Finance 339 and Source 300. Close to Fund Balance 439.
- Starting in FY '25, English Learner will be recorded with Finance 339 and Source 300. Close to Fund Balance 439.

There will be an FAQ document coming out from MDE of eligible uses.

An EL Task Force will be created to analyze how public schools use EL revenue.

READ Act

Funding for READ Act totaled \$37,225,000 with the majority being for teacher compensation and PD.

Teacher Compensation \$31,375,000

- Schools get greater of \$2000 or \$36.06 payable in FY25 (potentially Sept/Oct)
- May include stipends, payments based on hourly rate or reimbursement
- Eligible teacher must be employed by LEA and licensed by PELSB and required to be training
- Once have MOU compensation must be paid within 30 days

READ Act

- \$35M in curriculum funding from 2023 converted to be distributed on a per pupil bases to be used as **literacy aid**.
 - Greater of \$2,000 or \$39.94 times number of students served; 100% payable in FY25
 - Can be used to implement requirements under the READ Act or for literacy incentive aid uses
- Literacy Incentive Aid uses expanded to include intervention specialists, approved screeners, and teacher stipends.
- Professional Development. \$4M in FY25 for statewide training and can be used to provide training in structured literacy for fourth and fifth grade teachers and literacy professors.

EVALUATION FORM

- PLEASE FILL OUT THE EVALUATION FORM THAT IS LOCATED ON THE TABLE AT THE BACK OF THE ROOM.
- WE APPRECIATE YOUR COMMENTS TO FURTHER OUR DEVELOPMENT

cmERDC Contact Names

Smart Finance/UFARS

Nicole Winkelman

Suzanne Elmes

Susan Leenerts

Payroll/Smart Hr

Joe Crawford

Linda Vincent

Megan Schafer

Naja Harris-Ajala

Technical Support

Craig Torgerson

Jacob Phillips

Nicki Fish

Executive Director

Lowell Haagenon

Director of Finance

Dawn Duevel

Thank You!



SUPPORT SERVICES

Finance: ufars01@cmerdc.org

Payroll: smarthr@cmerdc.org

Dawn Duevel: dduevel@cmerdc.org

ADMINISTRATION

Lowell Haagenson- Executive Director

lhaagenson@cmerdc.org

Dawn Duevel- Director of Finance dduevel@cmerdc.org

FINANCE

Nicole Winkelman nwinkelman@cmerdc.org

Suzanne Elmes selmes@cmerdc.org

Susan Leenerts sleenerts@cmerdc.org

PAYROLL

Joe Crawford jcrawford@cmerdc.org

Linda Vincent lvincent@cmerdc.org

Megan Schafer mschafer@cmerdc.org

Naja Harris-Ajala nharris-ajala@cmerdc.org