



Minutes

FINANCIAL POLICIES AND PROCEDURES ADVISORY COMMITTEE MEETING

June 23, 2022 at 9:30 a.m.

Member Facilitator: Donna

1. Call to Order

Megan introduced Donna who called the meeting to order at 9:31.

2. Approval of Agenda

Donna asked if there were any objections to the agenda. Hearing none, she passed back to Megan for approval of the minutes.

3. Approval of Minutes

Megan asked if there were any objections to the minutes to which there were none.

4. Electric School Bus Updates - Special Guest - CDPHE

Matt Goble - CDPHE presented information regarding the Clean School Bus resources. Matt shared geographic information on where electric buses have been ordered/received within Colorado. Matt discussed being available to give additional presentations regarding the electric bus program in order to assist districts with questions or concerns regarding the buses and the program.

- Up to \$250k per bus plus \$13k for infrastructure.
- Priority districts (link in slides) could receive up to \$375k per bus and \$20 for infrastructure

The State also passed legislation adding \$65m to this electric bus effort. The program is designed to be complementary to the federal program, not competitive - so he urged districts/schools to look into the federal program as well. Rules for this state program are being drafted by CDPHE and will be available in the fall.

5. Nutrition Update

Lyza gave a quick update on nutrition waivers for SY22-23.

Glenn asked: "Lyza, can you address the proposed federal legislation to continue federal funding for meals during covid? I understand it's not as good as previous years but important for transitioning back to FRL applications..." - proposed legislation has bipartisan support:

Lyza will get back to everyone when she has more info: <https://www.usnews.com/news/education-news/articles/2022-06-21/congress-inks-bipartisan-deal-to-extend-child-nutrition-waivers>

Lyza commented:

Summary of federal legislation mentioned.... The \$3 billion package will provide the following assistance through School Year 2022/23:

- Allow students eligible for reduced-price meals to receive free meals
- Increase federal reimbursements for every school lunch by 40 cents and every school breakfast by 15 cents, above the annual inflationary adjustment scheduled for July 1
- Extend no-cost waivers, including those for schools unable to meet nutrition standards due to supply chain disruptions and to reduce administrative and reporting burdens
- Extend waivers for 2022 summer meal programs

I will keep you all updated :) Thank you!

P-EBT Springs has been closed and SY21-22 will be issued late fall. SY20-21 benefits were issued to 504k children.

School Nutrition has updated the School Nutrition's Back to School webpage with information regarding going back to the use of grant codes for FY22-23 due to the Federal government ending the universal free lunch for the year.

Lyza discussed the Colorado Payback - continue to file reports. Updated legislation says all amounts must now be reported.

Lyza discussed having some open positions available in the School Nutrition office if anyone would be interested or know of anyone that may be interested.

6. Office of the State Auditor Updates

Crystal Dorsey from the Office of the State Auditor provided updates

2022 Compliance supplement update - issued May 12, 2022

- There will be no addendums and no extensions
- DCF due w/in 30 days of audit opinion
- Or No later than 9 months after year end (3/31/23)
- No filing extensions for FY2022

Matrix of testing requirements - 7 areas must be tested per the Compliance Supplement (ESSER 84.425)

Single Audit Tips

Understand CDE grant agreement-specific requirements

Purchasing - procurement policies

Time and Effort is often a big documentation issue for districts

Prior year findings - auditor is required to follow up on them

Documentation, documentation, documentation!

School Fiscal Health Analysis

- Review trends 2019-2021
- Sent out prelim May 19
- September 28 - due to committee (?)

Auditor's opinion changes

Crystal recommended that districts carefully read the auditor's opinion.

Auditor's may ask questions they've never asked before because of SAS requirements (ie regarding going concern, negative fund balance, etc)

7. ELL Audit Review (Rebecca)

Compliance audit reviews for all counts used to determine TPF incl at-risk, FPC and ELL counts)

Audit trainings & materials available Set 2021

Rebecca's team worked with districts to review available documentation

Audit adjustments will not be made for the FY21-22 year for ELL counts but will be made moving forward in subsequent years.

8. Legislative Session and Funding Updates (Tim)

a. School Finance Act

Budget Stabilization Factor might be paid down - is significant interest in doing so at the legislature

Total program +\$430m

READ Act funding - section 5 extends 15% carryforward for one additional year (will repeal Jul 1, 2023)

LEAs may retain > 15% rec'd in FY20-21

b. SpEd funding (SB22-127) increases funding from \$1250 to \$1750 (Tier A) and then increases by rate of inflation in FY24-25 and future years

- Tier B from \$3392 to \$4530 - grows with inflation in FY25

c. SEFAC

- Analysis of funding in CO and other states
- Actual SpEd costs
- Effectiveness of current PSED model
- Exam of the High Cost SpEd Trust Fund
- Analysis of current disability categories
- Recommended changes to current funding model
- Per JBC action reflected in the long bill funding associated w/ SB22-1527 represents the only increase to categorical refunding for FY23, (ie other categoricals - ELPA, GT, Transportation - will stay flat)

d. Other Legislative and Funding Updates (Kate, Mark and Glenn)

At-Risk Measure HB22-1202

- Needed b/c of COVID FRL reporting changes
- Identifies new At-risk measure to be used in SF formula
- categorical eligibility will expand to include medicaid and Chp, adds neighborhood socio-economic status
- working group to be established to prep for implementation for FY23-24 - Commission will report to JBC & education committees in Jan of 2023.

UPK (HB22-1295) - Mark

- Dept of Early Childhood
- Dr Lisa Roy is the Dept ED
- LCO - everyone Wed at 5p
- The new department asks that all questions go through DEC contact: Michael Cooke
- Website: cdec.colorado.gov
- LCO - local coordinating orgs - 35 catchment areas
- App deadline extended to June 24, 2022
- New Dept is being developed
- Operational questions, timelines being developed

From Tony Whiteley to Everyone 10:20 AM

“What is the latest on whether SpPk funding will remain in FPC or move to DEC?”

Mark said we believe it is moving (along with CPP) to DEC, the new agency (ECEA and IDEA will still flow through to districts from CDE)

MLO (SB22-202) Glenn

- Will require CDE to distribute an amount of state \$ as matching funds to the property tax revenue for MLOs
- If the district MLO capacity is less than the max of override mills, the district would be eligible for matching funds
- Final approp for FY23 is \$10m
- Leg Council Staff working on the final fiscal note showing projections from the FY23 distributions
- Please use this fo w/ caution as it can and may change as a result of November elections
- Money will flow in June 2023

More to come...

9. PSFU Training Updates (Mark)

- 2023 cohort ap will open in October 2022 and start in Jan 2023. Open to all district lead finance officials, prioritized by:
- Size of district & fin dept FTE
- Years of experience as district lead business official
- 15 districts
- Might open to mid-size districts (5) with 10 small districts
- Commit to one year of structure school finance learning & practices, with a 2nd year of less intense follow up
- Survey - link in slides if interested: <https://forms.gle/6vGVuyYbnJ8eR4fC8>
- Estimate # of potential candidates
- Building networks with other Districts
- Support with biz official turnover

Kate: Draft Training Plan

We think of it in a tiered training model: community (for all - ie office hours)

Network - Tier 2 - more targeted (more advance)

Tier 3 - intense intervention (ie cohorts)

CDE drafted the training plan but please share any ideas/needs for training

10. Instructional Time Stakeholder Process Update (Kate)

Traditional paradigm - brick and mortar or online

- - Now much more fluid - off site & partly on site
- Convened blended learning initiative (BLI)
- - working to understand more about blended and online learning models that are currently being used by B&M schools
- Have a contract in place for increased stakeholder engagement
- 8 meetings starting summer/fall parents, students, educators, rural/non-rural, online families, policymakers
- Guiding questions - 5 of them
- 1. How many off-site online courses should count for funding of a brick & mortar students
- 2. What are min expectations for teacher involvement/instructional support
- 3
- 4
- 5
- Look for communication in mid-July about the survey, join a focus group

11. Financial Reporting Updates

Kelly gave an update on the financial transparency website transition. Preview site is open. FY19-20 and FY20-21 data have been loaded. The data excluded objects 07xx and 09xx on the Brightbytes site, but will be updated shortly after the new site goes live on July 1st. Looks much like the Brightbytes site. The go-live date is 7/1/22.

- Object 0735 moved from cap construction section to supplies (in the relevant program area) per guidance from NCEES
- FY18-19 will be loaded in July
- Implemented changes per recommendations from Federal partners to meet ESSA report card requirements.

Yolanda discussed that the second transportation payments have been processed and should be received by districts shortly. The CDE40 submission opens July 1 and is due September 15th with no exceptions. A training schedule and training video were provided. Yolanda recommended watching the video series prior to the August training sessions.

Finance December Reporting (Yolanda)

- Soft open 8/1/22, official open 8/15
- NEW - Business Rules Helpful Hints will be available in July
- FDW reports by July 15th
- Planned Office Hours in August - quick overview of submission process (Q & A)
- New Job Classifications were requested for approval for Legal Professionals (JC 341) as well as Program Support Specialists (JC 372).

Lisa Bollers asked "Can we get an example of what position would fall under job class 372? It seems like this is just another "other" category under the 300 series and would cause more discrepancies between HR and finance".

- St Vrain - ie a grants writer - they didn't find a good JC code to use so suggested these new codes

Megan Deutsch stated "I would suggest a Printing Services Manger as a 372 Or Records Manager"

From Gina Lanier to Everyone 10:50 AM "Would it make more sense to update 337 to be more broad"?

Megan asked if we need to table it and bring it back to the FPP committee meeting for more discussion

Jane Frederick - do we need one for paralegal

From Glenn - CDE to Everyone 10:51 AM

"I worry about so many account categories since they multiply with pay and benefits. I think broader categories are better. In D11, they only use 300..."

From Justin Petrone to Everyone 10:51 AM

"Agree w Gina - easier to revise definitions than to add new codes."

Tables for further discussion - no new JC codes established/approved today. Will revisit during next FPP-convening meeting with FPP members, CDE

FPP Handbook - new FPP members in August

Update verbiage from "Vocational" to "Career and Technical Education"

Add object cbde 0217: FAMLI (previously approved)

Bold object codes (approved at Feb 2022 FPP meeting) 0340, 0530, 0650, 0734 and source code 1760 (gifts & contributions) ie 0340, 0530, 0650 used in federal reporting

From Gina Lanier to Everyone 10:54 AM

Why is CDE recommending the bolding of these? Revenue makes sense to me, but no the expenses

*not

Yolanda stated this was approved in an earlier FPP meeting.

From Meghan Deutsch to Everyone 10:55 AM

Can we update the descriptions on these - before we ask them to be bolded?

Kate stated the committee would need to vote to undo the previous action. Asked Megan Deutsch and Gina Lanier if they feel strong enough to ask the members to revote on this prior action.

From Mimi Livermore to Everyone 10:57 AM

Can the FPP committee

From Gina Lanier to Everyone 10:57 AM

I am not a voting member, but I am not good with bolding

From Meghan Deutsch to Everyone 10:58 AM

I'm not a voting member - so I'm fine with what was voted on, but I do think we need some updated verbiage

we don't really buy CDs anymore

From Brad Arnold to Everyone 10:58 AM

I would also prefer to not add new bolding

From Gina Lanier to Everyone 10:58 AM

I would be more than happy to serve on a committee to help with any cleanup, etc.

Kate recommended the committee members vote to pause these object codes until further conversation can be held to clarify. The vote was to pause.

Yolanda requested a vote to post the FPP Handbook as Kate Bartlett recommended with the other changes suggested. Vote was to publish as Kate recommended - approve 1st 3 bullets on slide only, including new object 0217 for FAMLI Act.

VOTE - threshold for 'major renovation' in food service context: CDE has been using \$100k or 25% of building value, lower of the two (current policy set in 2014). After further discussion & research we feel \$250k or 25% of building value is more appropriate: reference 45 CFR 1305.2, definition of Major Renovation (link in slides)

From Tony Whiteley to Everyone 11:04 AM

Do we have similar thresholds for non NS major renovation expenditures?

[11:02 AM] Richardson, Megan :for the minutes, there wrere some folks that said they would join a committee to clean up definitions, COA etc" - ie Megan Deutsche and Gina Lanier and ChelseyGerard, Eagle County SD

12. Other Topics of Interest

- a. CASB
- b. CASBO Mimi Livermore "Wanted to thank all that came to the conference. Fall conference Oct 12-14 in Vail".
- c. CASE-DBO Conference on July 27-29. Winter leadership meeting will be held at the Loveland Embassy Suites
- d. CGFOA - From Kirk Weber to Everyone 11:06 AM
 - "Please visit the Colorado GFOA website for current trainings, membership, annual conference information, or if interested in participating in its Technical Issues Task Force to provide comments to GASB on public comment documents. <https://cgfoa.org> Thanks."
- e. COCPA

13. Membership Updates

Megan gave the following updates:

- Vacancy for Term 2023
- Upcoming Vacancies for August 2022
- Jane Frederick
- Mike Lee
- Samantha Gallagher
- Patty Venem
- Angela Slaven

Megan presented a form to complete for interested candidates.

From Mimi Livermore to Everyone 11:11 AM

Thank you to the departing members!

14. Upcoming Meetings:

- a. Thursday, September 22, 2022
- b. Friday, November 18, 2022
- c. Thursday, February 23, 2023 - might be a conflict with CASE meeting per Tony Whitely
- d. Friday, April 28, 2023
- e. Thursday, June 22, 2023

15. Adjourn

Donna thanked everyone for today's discussion and the departing members.

Donna adjourned the meeting at 11:15am.