



MINUTES
FINANCIAL POLICIES AND PROCEDURES ADVISORY COMMITTEE MEETING
April 29, 2022 at 9:30 a.m.

- I. Amanda Smith is today's member facilitator.
 - A. Amanda thanked everyone for coming and called the meeting to order.
 - B. The agenda was approved as no one dissented.
 - C. The meeting minutes from February were approved after a small adjustment was identified.
- II. Tim Kahle provided an update on the legislative session and funding implications.
 - A. Tim provided a five year historical summary of the School Finance Act. As introduced, the School Finance Act for FY 22-23 has the budget stabilization factor down by \$182M to \$321.2M. The average per pupil funding is \$9560, up \$546. There are a number of technical fixes. These fixes, as of the introduced bill, are summarized in slide 5 of the FPP Presentation slide deck.
 - B. Jennifer clarified that Section 18 has been amended to allow for the use of the Contingency Reserve Fund for districts that have property taxes withheld due to delays in audit submissions for two year.
 - C. A question was asked how the inflation rate was determined for this calculation, given CPI is in the 7% range. Terry Kimber clarified that this is always a year behind; 3.5% was the market rate for 2021.
 - D. Another question was asked of Crystal Dorsey: is the federal single audit compliance supplement expected to be released timely this year? Crystal responded: It is our understanding the feds are planning to release the federal single audit compliance supplement sometime this fall, significantly earlier than last year. However, we never know what to expect.
- III. Tim provided an overview of SB22-127 on Special Education Funding.
 - A. Kate Bartlett sent out an email earlier this week with the preliminary runs for the Special Education funding based upon the bill language to provide districts with an estimate of the special education funding under this bill. The bill also requires a report by the SEFAC on special education funding in Colorado.
 - B. There was a question if there is going to be any additional reporting for the additional special education funding. The bill does not require
 - C. A question was asked if the Universal Free Meals program would continue into SY22-23. No, this program will not continue in the next school year. Lyza Shaw will provide more details on waiver later.
- IV. At Risk student Measure (HB22-1202)
- V. Jennifer Okes provided additional legislative updates.
 - A. Universal Preschool Program (HB22-1295)
 1. How are we going to count kids?
 2. How is the funding going to flow?
 3. Staffing?
 4. Regional councils?
 5. Mill levy capacity and TP
 6. Healthy Meals for Students (SB22-087)
 7. Fifth Year High School Concurrent Enrollment (HB22-1002)
- VI. PERA Retiree Employment in Rural Schools (HB22-1101)



1. A question was asked if the six year limitation is just for the Nurses and Paraprofessionals. The six year limitation applies to all retirees, regardless of their job classification. This is existing/continuing statutory language: “(g) The period during which a service retiree may receive salary without reduction in benefits and without limitation in a calendar year pursuant to this subsection (1.9) shall not exceed six consecutive years from the date the service retiree began work pursuant to this subsection (1.9).”
 2. School Security Disbursement Program Recreation (HB22-1120)
 3. Investment of Public School Fund Study and Report (HB22-1146)
 4. School Security and School Behavioral Health Services (HB22-1243)
 5. Clean Water In Schools And Child Care Centers (HB22-1358)
 6. Mill Levy Override Match Fund (SB22-202)
- B. A question came in related to the key legislation slide - is this legislation that has already passed or is it pending? Ron it is a mix--you can click on each bill link to see the current status. We tried to indicate which had passed, but things are moving really fast!
- VII. Next, Amanda Smith handed it over to Kate Bartlett for updates on transportation reimbursement and federal stimulus funding.
- A. Kate Bartlett provided an overview of the subcommittee that worked to review the Transportation Funding CDE 40 Process. They have identified recommendations to streamline the funding for transportation. There will be office hours on May 10th at 10am to provide more details on the proposals.
 - B. Kate also provided an update on Federal Stimulus Funding.
 - C. ESSER Set Aside Competitive Grants
 - D. Upcoming deadlines reminder
 - E. Draw downs
- VIII. Amanda Smith Now we'll hear from Lyza Shaw with nutrition updates
- A. Lyza outlined that USDA waivers provided previously are expiring. Therefore, School Food Authorities are going back to “normal” school meal operations. The USDA cannot issue waivers that have a fiscal impact. That means that there will not be Universal Free Meals for the upcoming school year.
 - B. USDA Waivers
 1. “Normal” operations
 2. What does that mean?
 - a) Districts will need to process FRL apps and claim students by eligibility type (free, reduced, paid). The reimbursement rates are typically released in July. We are anticipating lower reimbursement rates than the past two years under the Universal Free Lunch program. We are returning back to grant codes 4553 and 4555. CDE will be using the Paid Lunch Equity (PLE) tool. This tool provides the targeted rate for paid meals. We are still waiting for further guidance for the USDA. More to come on this. A quest
 - b) No, districts can charge whatever they have determined. This is a local decision. This is just a tool
 - c) Districts will also need to dust off the unpaid meal charge policy.
 - d) One option to continue universal free meals is to opt into Provisional programs such as CEP or Provision 2. Also, the non-pricing breakfast



- program. CDE will likely collect this information through the annual application - Paid student lunches cannot be covered through Fund 21.
- e) Dust off unpaid meal charge policy
- C. Excess Net Cash
 - 1. Caution spending food service funds due to the unknowns. See the Scoop on April 5th. This article also covered flexibility with excess net cash plans and unallowable costs.
 - D. CEP alt schedule - CDE has opted into a flexible schedule. Previously it was April 1 Now districts have a range of dates to determine eligibility. There is a form to notify CDE if you want to participate in the provisional programs.
 - E. DC Medicaid Pilot - Working very closely with HCPF on this. HOPing to submit an application by September 30, 2022. This would start in FY 23-24. Working with local levels, partners, to make sure this is as easy as possible to add this to DC.
 - F. Other funding
 - 1. Supply Chain - should have been deposited into accounts on April 1. There is no specific reporting of this. If there is an audit, then districts need to provide evidence of compliance. Districts can consider using milk or produce.
 - 2. P-EBT mini grants - These were distributed end of last year to support costs with the P-EBT data collection. We are working on applying for a second round of funding for this. Should be out by June 30, 2022.
 - 3. Lyza Shaw is 303.854.4915 and shaw_l@cde.state.co.us.
- IX. Amanda Smith turned it back over to Kate Bartlett to provide an update on instructional time.
- A. COVID has led us to an important moment to step back and reassess what we know, or thought we knew, about “what works” in terms of instruction, seat time/funding requirements and—fundamentally—achieving strong student outcomes. Through the Blended Learning Initiative (BLI), CDE is working to understand more about blended and online learning models that are currently being used by brick-and-mortar districts and charter schools. The Initiative is particularly targeted toward districts and schools that are implementing learning models that fall outside of our updated guidance related to Blended Learning and Supplemental Online courses. Those schools and districts are eligible for a two-year formal variance waiver to the guidance. CDE provided an update on the BLI to the State Board of Education on February 9th. Statute establishes teacher-pupil instruction and teacher-pupil contact as the driver for school funding. Colorado currently lacks a concrete, usable definition of what counts as teacher-pupil instruction, and what does not, outside of a brick and mortar, work study or traditional independent study environment. Without a concrete, usable definition of fundable instruction in these alternate environments, it is not possible to ensure fairness of school funding based on an equitable set of rules and expectations. As shown through the Blended Learning Initiative and other work with districts, it is clear that current practices vary widely. Districts need specific guidance on program options and what will be fundable/not fundable with regard to learning that takes place outside of a brick and mortar environment and also outside of an SDOL or an approved MDOL.
 - 1. CDE will be engaging in additional stakeholder input to determine what appropriate changes may be to:
 - a) Rules changes related to the Public School Finance Act
 - b) Rules changes related to the Online School Act
 - c) Statutory changes related to the Public School Finance Act



- d) Statutory changes related to the Online School Act
 - (1) Some content issues to address include:
 - e) Independent Study
 - f) Definition of Educational Process
 - g) Definition of Online Student.
 - 2. We should have more updates on this through emails to the Finance Listserv and at the June FPP meeting.
 - 3. Rebecca McRee added that we will be hosting a training on May 24th regarding the waiver process. More information is available at:
http://www.cde.state.co.us/cdefinance/auditunit_trainings
- X. Next Amanda introduced Traci Marshall who will be providing a presentation on Family Medical Leave Insurance FAMILI and Public School Districts (Local Governments).
 - A. Jany 1 initial FAMILI rules adopted. July 1 public education campaign begins. Jan 2023 employers can begin reissued FAMILI premium payments. April 1 2022, first ¼ premium pay due.
 - B. Unlike private employers, local govern have 3 options in participation.
 - 1. Participate fully in FAMILI - pay employer .45% of wages with 10+ employees or 0% if less then 10. Also remit employee portion (.45%). Jan 1 2023. Apply for Jan 1, 2024.
 - 2. Decline all participation in FAMILI - your local government must vote not to participate. Inform FAMILI division of your decision. Good for 8 years. Local employees still have the right to participate. They would have to self-elect coverage and report throw own wages and remit employee's share. Similar to a self-employed person.
 - 3. Decline to employer participation but allow individual employees to participate. The local govt would facilitate employee contributions remit employee premiums, report once per quarter.
 - C. A question: How does a vote work?
 - 1. Local governing bodies voting procedures.
 - D. How do charter schools determine participation - do they go through the local board of education.
 - E. Comment from Lydia Waligorski at CDLE: "Charter schools can go through their own boards and are not bound by the decision of the broader school district. Having tech issues with video."
 - F. What leave is used first?
 - 1. Does not require any other leave must be used first. Local decisions.
 - G. Sam Jones-Rogers (CASB) asked, "Can you please confirm if BOCES are included in the definition of a local government?" - Lydia Waligorski (CDLE) said yes, they would be considered a local government
 - H. More resources in the slide deck. FAMILI wants to create a program that is fair and wants to hear input. Famli.colorado.gov, cdle_famli_info@state.co.us and @ColoradoFAMILI.
 - I. A question came in if local governments need to conduct a vote by July.
 - 1. No, this is not necessary. The 180 days is if you want to take benefits away/stop participating., then you need to give employees 180 days notice.
 - J. Employee only - will get full benefit. If employee does this individually, only the employee pays, the employer payment



- K. If entity pays for STD or LTD, are they still required to participate? If a local government, not required to participate, by
- XI. Amanda Smith turn Now we'll hear from Crystal with updates from the Office of the State Auditor
 - A. The fiscal health analysis data is anticipated to be distributed in the second or third week of May. The OSA will send it to Megan Richardson, who will send it out to the Finance Listserv. If you do not hear by May or if you have any questions.
 - B. Sept. 28th. Will reach out to districts individually to see if they are willing to attend. Great opportunity to get in front of legislators for them to hear the challenges that you are facing
 - C. Teaching CGFOA on Audit 101. 3 hour class 9-12 on May 10th. Local gov't audit law, how to select an audit, how to get ready for the annual audit, internal controls, what the audit opinion means. Designed for those new to the profession. Good reminders for seasoned staff. Very reasonable \$40 for members and \$55 for non-members. May be offered again as a webinar later in the Summer. May also look at in person class as well. CPE eligible.
- XII. Amanda Smith Now we'll hear from Kelly with financial reporting updates
 - A. Kelly provided a quick update on the Financial Transparency Website.
 - 1. The contract with BB ends on June 30th. CDE is bringing this in-house. We are working to mimic the site for FY. It will go live on July 1st.
 - 2. Anticipate district review
 - 3. Send files we are using in a summary form in excel file. June 3-June 17 for descriptive excel data.
 - 4. Built a google form to get district comments on data.
 - 5. Also, Built a google form to submit district narratives. We are not uploading historical district narratives. If you want to continue the historical narrative, this will need to be submitted to CDE.
 - 6. The web link will not change. It will remain, You won't need to approve CDE to provide to BB. So, this is one less thing as part of the Fin Dec process.
- XIII. Related to the prior discussion on Family and Medical Leave Insurance (FAMLI)
 - A. Local Government Participation, Colorado local governments, including school districts, must decide whether or not to participate in the FAMLI program. Local school boards must hold a vote to determine the district's level of participation (providing full FAMLI benefits, completely opting out of the FAMLI program, or helping employees who want to individually participate in the FAMLI program by providing them with a voluntary payroll deduction). By January 1, 2023, if a school board does not notify the FAMLI Division they will be automatically enrolled in the FAMLI program as an employer and subjected to paying premiums.
- XIV. New Object Request: 0217 FAMLI: Family and Medical Leave Insurance (benefit) - Vote of members - approved.
 - A. 0527 - read stuff from Yolanda
 - B. Will the object code be updated in the Chart of account anytime? Yes, that will be available for July 1st. It will be included when we make updates for the fiscal year.
- XV. Amanda Smith asked if any of our partner organizations have updates they'd like to share.
 - A. CASB - Sam Jones Rodger, CASB - legislative wrap up tour - virtual tour, traveling to in person events.. Free to attend. Do need to register. ASB's Legislative Wrap-Up Tour (<https://casb.memberclicks.net/legislative-wrap-up-tour>)
 - B. Wed May 18th CASB conv 3-4, will be recorded.



- C. CASB Conversations Webinars - School Finance Act on Wednesday, May 18 from 3-4pm
(<https://casb.memberclicks.net/casb-conversation-webinars>)
- XVI. Mimi Livermore - CASBO Spring Con next week in Colorado Springs. Conquering Silos - hope it will improve and increase business knowledge Great general sessions and fun evening sessions.
<https://sites.google.com/view/casbo-member-information/home?authuser=1>
- XVII. Finally, Amanda Smith turned it over to Megan to provide membership and future meeting dates updates.
 - A. We are in good shape. Vacancy for a term that ends in 2023. We have upcoming vacancies for August 2022:
 - B. It is time to start applying for the FPP Committee.
 - C. Question, can you apply again? After 12 months.
- XVIII. Feedback on clean up
- XIX. Upcoming Meetings: Megan
 - A. Thursday June 23
 - B. Future Meeting for 22/23
 - C. Megan requested that anyone knowing of any conflicting conferences or meetings to let us know with regards to the proposed 22/23 meeting schedule.
- XX. Thanks so much for coming today! We'll now move to adjourn the meeting.
 - A. Question - charter school home to school transportation. The District will need to submit the data for the charter school. Charter school to district - district to charter school - Will it be easy for the district to determine the percent for the district. Currently only doing for 1 district. We can provide a worksheet to help determine the slpt between the district and the charter school. Work offline.
 - B.
- XXI. Adjourn