

Office of School Financial Services New Year Updates

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mdek12.org



MISSISSIPPI
DEPARTMENT OF
EDUCATION

July 08, 2024



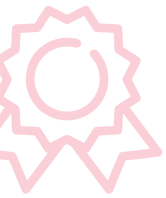
VISION

To create a world-class educational system that gives students the knowledge and skills to be successful in college and the workforce, and to flourish as parents and citizens



MISSION

To provide leadership through the development of policy and accountability systems so that all students are prepared to compete in the global community



1

ALL Students Proficient and Showing Growth in All Assessed Areas



2

EVERY Student Graduates from High School and is Ready for College and Career



3

EVERY Child Has Access to a High-Quality Early Childhood Program

EVERY School Has Effective Teachers and Leaders

4



EVERY Community Effectively Uses a World-Class Data System to Improve Student Outcomes

5



EVERY School and District is Rated “C” or Higher

6





Legislative Updates



- House Bill 4130 passed during the 2024 Regular Legislative Session created the new Mississippi Student Funding Formula (MSFF).
- MSFF replaces the previous funding formula, Mississippi Adequate Education Program (MAEP).
- The formula includes a base student cost formula, an inflation factor, and weights for low income, poverty, English Language Learners, Career and Technical Education, Special Education, and Gifted students.
- The formula provides an additional \$218M in education funding.
- The Mississippi Department of Education (MDE) will work with the Legislature to provide a report on the formula prior to the 2025 Regular Legislative Session.
- The revenue function for this revenue is 3150.

- Senate Bill 2695, Driver's Education, passed during the 2024 Regular Legislative Session amended MS Code Section 37-25-3.
- Beginning in the 2026-2027 school year the school board of any school district maintaining a secondary school shall establish and maintain driver education and training programs for students enrolled in the secondary schools in that district.
- The program shall include both classroom and behind-the-wheel instruction.
- The MDE and the Commissioner of Public Safety shall jointly prepare an estimated budget and fiscal report of the additional expenses and costs related to the implementation of mandatory driver education programs and present to the legislature prior to the 2025 Regular Legislative Session.

- House Bill 1823 passed during the 2024 Regular Legislative Session appropriated funding for the increases in PERS and Health Insurance in a separate line item.
- The revenue function assigned is 3280. No fund numbers will be assigned.
- School payments for funding will be made to each school district on July 29, 2024, for the full amount allocated to each district for FY2025.
- In FY2026 funding for the FY2025 PERS and Health Insurance increases will roll into the MSFF as an adjustment to the Base Student Cost.

- Total funding per the FY2025 MSFF allocation notices are compared to funding for FY2024 MAEP, FY2023 Teachers & Asst. Teacher Pay Raise funding provided in FY2024 and Average Daily Enrollment (\$100M).
- For FY2025 there are **no** separate funding allocations for the FY2023 Teacher & Asst. Teacher Pay Raise, and Average Daily Enrollment (\$100M).
- For FY2025 the School Recognition Program was not funded.

- FY2025 state funding to school districts includes:
 - MSFF (Revenue Function 3150)
 - Master Teacher Certification (Revenue Function 3291)
 - EEF Bldgs. & Buses (Revenue Function 3210)
 - Chickasaw Cessions (Revenue Function 3130)

- FY2025 PERS Employer Increase is ½ percent effective July 1, 2024:
 - FY24 Rate 17.40%
 - FY25 Rate 17.90%
- FY2025 Health Insurance monthly base premium for employees effective January 1, 2024, was \$459.
- The monthly base premium for employees effective January 1, 2025, has not been released.
- The FY2025 MSFF includes funding for the health insurance increase for January 2024 – December 2024.
- Any increases for January 2025 will be included in the FY2026 MSFF Final calculation, January 2025 – December 2025.

Base Student Cost
FY2023-2024 \$6,759.27

Base Student Cost
FY2024-2025 \$6,695.34

Education Funding

FY2023-2024

- Formula Funding \$2,740,335,905
(includes MAEP, Teacher Pay, & Average Daily Enrollment)
- EEF Cards \$25,000,000
- EEF Bldgs. & Buses \$16,000,000
- Chickasaw Cession \$16,945,631

Education Funding

FY2024-2025

- Formula Funding \$2,958,652,725
- PERS Funding \$8,427,614
- Health Insurance Funding \$12,513,420
- EEF Cards \$27,540,973
- EEF Bldgs. & Buses \$16,000,000
- Chickasaw Cession \$15,223,869

Education Enhancement Funds – EEF Procurement Card

- The FY2025 allocation amount for each eligible teacher and necessary support staff is \$740.
- The number of cards requested by districts for the first order total 37,112.
- A second and final request for cards needed by the districts will be done in August 2024.
- The cards will begin shipping on Monday, July 15, 2024.
- The cards should be distributed to eligible personnel by Thursday, August 01, 2024.

- FY2025 EEF Procurement Card provider is U. S. Bank.
- All districts will receive plastic cards.
- Cards will be issued with an expiration date of four years.
- Cards will be identified with supply account numbers as previous years. The teacher's name will not be included on the card.
- There is no need to reorder cards for all eligible personnel each year after FY2025. Cards only need to be ordered for new hires eligible to receive a card.
- All cards for the State of Mississippi will be activated, tentatively Wednesday, July 31, 2024.

- The district is no longer required to send an email to the OSFS notifying us that the district is ready to activate the cards.
- Cardholders may also activate their card by calling the customer service phone number located on the back of the card.
- The cardholder may be asked one of the following when activating the card:
 - Social Security Number - this will be the district four-digit ID Number
 - ID Code assigned for the agency **999999359**
 - Organizational Short Name **MDEEEF**
 - Business Phone Number - this is the phone number the district provided per the cardholder enrollment form submitted to the OSFS.

- Once the cardholder activates the card the cardholder may register the card online, setup user id, and password.
- It is important that staff remember password when setting up account. After three failed attempts the cardholder will be locked out.
- A request must be sent to the district program coordinator to reset the password.

- If cardholder chooses to use a vendor that is blocked, an email must be sent to the OSFS financialservices@mdek12.org requesting the vendor be approved for purchasing.
- Please provide information regarding what is being purchased and how it relates to instruction.
- Cards will be deactivated at 12:00a.m., Tuesday, April 01, 2025. Please encourage cardholders to expend funds quickly.

- Trainings for the district program coordinator are scheduled for Wednesday, July 17, 2024, and Wednesday, July 31, 2024.
- The training scheduled for July 31, 2024, is a repeat of the July 17, 2024, training.
- All trainings will be recorded.
- A training invite was sent via the business manager listserv on Wednesday, June 26, 2024, to all business managers.
- The business managers were informed to forward the training invite to the district program coordinator.

- U.S. Bank begin sending emails regarding the Commercial Card applications to districts last week for the purchasing and travel card programs administered by the Department of Finance and Administration.
- Information per application will be used to provide rebates to the school districts for these program.

A photograph of a modern office interior. The space is characterized by extensive use of glass partitions and large windows, creating a bright and open atmosphere. In the foreground, there are wooden cabinets and a desk area. The floor is made of polished wood. The background shows more office furniture and equipment, including desks, chairs, and computer monitors. The overall design is clean and professional.

Office of School Financial Services (OSFS) Updates

- The OSFS website has been updated to include the following:
 - FY2025 Accounting Manual updates. A blueline version was provided on Wednesday, July 03, 2024, per the business manager listserv .
 - FY2025 Reporting Deadlines subject to MSFF Withholding pursuant to MS Code Section 37-151-95.
 - Per the reporting deadlines subject to MSFF Withholding a link, see below, was provided to the FY2025 Mississippi Student Information System(MSIS) 2.0 reporting deadlines subject to MSFF withholdings.
 - At this link you will also find helpful information regarding how to access various reports via the new MSIS 2.0.
https://www.mdek12.org/sites/default/files/Offices/MDE/OTSS/MSIS2/QRG/2425_annual_reporting_calendar.pdf

- The OSFS website has been updated to include the following (continued):
 - FY2025 LEAs Reporting Deadlines
 - MAEP references are being updated with MSFF
 - FY2025 Public School Districts Indirect Cost Rates
 - FY2025 EEF Card Teacher Agreement
 - PowerPoints were updated

Paymode User Fees

- Paymode has charged several districts a network user fee of 1.5% for each deposit received. Please review the districts May and June 2024 bank statements.
- Paymode states this is due to an updated relationship with the State of Mississippi in Paymode-X.
- The MDE has worked with school districts and Paymode-X to have fees approved for reimbursement processing for two of four districts.
- The fees charged for the two districts together total \$116K.

The OSFS is currently working on the following projects:

- FY2025 EEF Cards Program Implementation
- FY2024 Assessment Tax Levy Data for FY2026 MSFF
- FY2026 MSFF Preliminary Funding Formula

Request for Fund Due Dates for FY2024 Federal Expenditures



July 2024

- The request reimbursement due July 12, 2024, is for June 2024 expenditures.
- The “Fiscal Information As of Date” in MCAPS should be June 30, 2024.
- Any request with a July date cannot be approved.

August 2024

During the month of August there will be two request periods:

2024 Expenditures

- MCAPS/Paper Requests for reimbursements for expenditures for FY2024 must be submitted by August 5, 2024.
- The “Fiscal Information As of Date” in MCAPS should be June 30, 2024.

2025 Expenditures

- MCAPS/Paper Requests for reimbursements for expenditures for FY2025 must be submitted by August 12, 2024.
- The “Fiscal Information As of Date” in MCAPS should be July 01, 2024, or later.

School Payment Calendar

Request for Funds Deadline	Transfer Date
July 12, 2024	July 29, 2024
August 12, 2024	August 28, 2024
September 12, 2024	September 26, 2024
October 14, 2024	October 29, 2024
November 12, 2024	November 20, 2024
December 6, 2024	December 16, 2024
January 13, 2025	January 29, 2025
February 12, 2025	February 26, 2025
March 12, 2025	March 27, 2025
April 14, 2025	April 28, 2025
May 12, 2025	May 28, 2025
June 12, 2025	June 26, 2025

A white calculator with a black display screen and a black pen resting on a document with a table. The calculator is positioned diagonally across the frame. The document contains a table with several rows of data, including numbers and codes.

Assessment Tax Levy



- The assessed valuation of real, personal (including automobiles), and public service valuation is requested from the local taxing authority in December of each year.
- The assessment information for the Special Homestead Valuation and Homestead Credit allowed are obtained from the Department of Revenue.
- The information is due to the OSFS before February 1 of the year following the request (MS Code Section 37-151-211 (1)(a)).

- The levying authority for the school district shall levy a tax of not less than 28 mills or a millage rate equivalent to twenty-seven (27%) of the MSFF calculation, whichever is less (MS Code Section 37-151-2 (2)).
- The information provided is used in the MSFF calculation in determining the local contribution that each school district or charter school is required to provide toward the cost of local contribution funding.

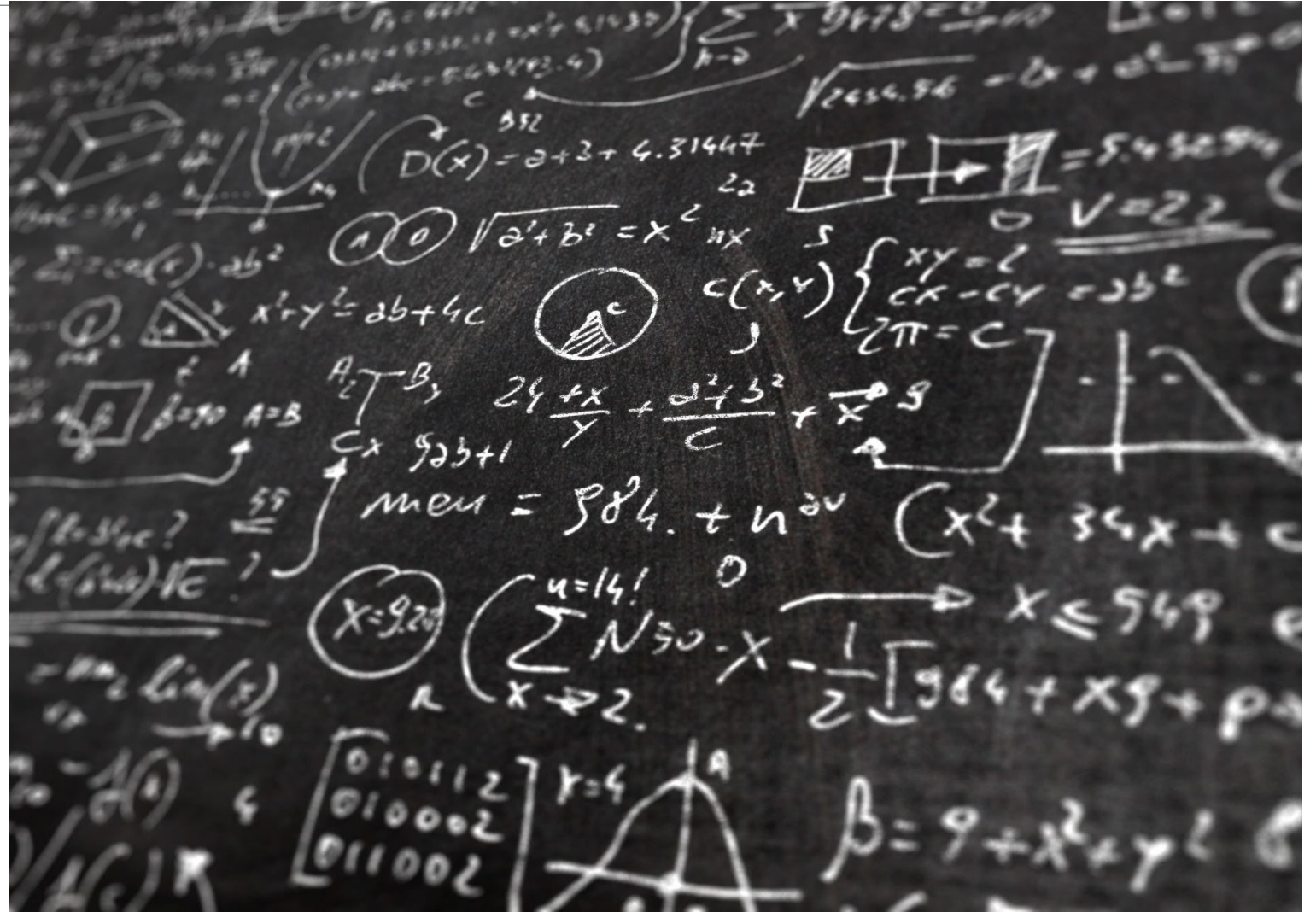
Example: Local Contribution Calculation for District

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1. Gross Assessed Value (obtained from Taxing Authority)	\$75,242,032
2. Homestead Exemption Value for over 65 (Obtained from Department of Revenue (DOR))	\$4,724,125
3. Net Assessed Value (#1- #2)	\$70,517,907
4. Value of 28 mills (sub-total) (#3 * .028)	\$1,974,501
5. Homestead Exemption Credit for under 65 (Obtained from DOR)	\$75,964
6. Homestead Exemption Reimbursement (Obtained from LEAs Financial Exchange Transaction System Data (FETS))	\$85,475
7. In-Lieu Revenue (Obtained from LEAs FETS Data)	\$ 2,650,000
8. Value of 28 Mills (final) (#4 - #5 + #6 + #7)	\$4,634,012
1. MSFF Formula Amount before local contribution	\$11,457,140
2. 27% of Formula Amount (#3 x .27)	\$3,093,428

Local Contribution is the lesser of the two calculations

Mississippi Student Funding Formula (MSFF)



Mississippi Student Funding Formula (MSFF): Hold Harmless

- The state share in support of the funding formula for fiscal years 2025, 2026, and 2027.
- Funding for these years may not be less than **all** state funds received for FY2024.
- All state funds for FY2024 includes funding for FY2024 MAEP, FY2023 Teacher & Asst. Teacher Pay Raise funding received in FY2024, and Average Daily Enrollment (\$100M).
- FY2028 the hold harmless provision will no longer apply to funding levels.

- For FY2025 twenty-eight (28) districts (including charter schools) received Hold Harmless funding.
- Hold Harmless funding ranged from \$25K - \$2.6M, total \$17M.
- For the FY26 MSFF Preliminary calculation there were a total of twenty-five (25) districts (including charter schools) estimated to receive Hold Harmless funding.
- Hold Harmless funding range from \$34K - \$1.5, total \$12M.

- For FY2026 the Base Student Cost will increase by an amount equal to 25% of the base student cost for the previous year, multiplied by the twenty-year average annual change in the rate of inflation for the State of MS as determined by the State Economist, plus any adjustments for additional state requirements.

FY25 Base Student Cost as Calculated		\$	6,695.34
	25% of Base Student Cost (BSC)	\$	1,673.84
	FY25 Consumer Price Index (CPI)		2.600%
		Inflation Component	\$ 43.52
	FY25 Adjustment for PERS		\$ 19.26
	FY25 Adjustment for Health Insurance		\$ 28.59
	FY26 Adjustment for PERS		\$ 19.26
FY26 Preliminary Base Student Cost		\$	6,805.97

Virtual Office Hours

- To assist and support school districts across the State of MS several program offices of the MDE provide virtual office hours to discuss subject matters relevant to their offices.
- Invites are sent via the program offices listserv.
- A few offices are listed below:
 - Office of Federal Programs and Grants Management
 - Office of Technology and Strategic Services MSIS 2.0
 - Office of Special Education
 - Office of School Financial Services

Date: July 25, 2024
Subject: FY2024 FETS Submission

Date: September 25, 2024
Subject: National Board Certification input via MSIS 2.0 by October 15, 2024, Deadline

Date: January 21, 2025
Subject: National Board Certification input via MSIS 2.0 by February 15, 2025, Deadline

Date: March/April 2025
Subject: FY2026 Accounting Manual Revisions

Date: May 21, 2025
Subject: FY2026 Indirect Cost Rates

Other virtual trainings will be added throughout the year.

If you have a specific training request, please email Letitia Johnson
ljohnson@mdek12.org



Questions



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