

SFY 2022 - Budgeting for High Poverty Schools

Maintenance of Equity
ARP ESSER III
Part II



1. Introduction

- Webinar led by Allison Seils, liaison with NH DOE, Division of Learner Support
- Joined by Mark Manganiello, School Finance, NH DOE, Division of Education Analytics & Resources;
- Aaron Fuchs, Acting Administrator, NH DOE, Division of Learner Support ; and
- McKenzie Snow, Director of Learner Support, NH DOE, Division of Learner Support
- Webinar is being recorded; slides and recording will be sent to each invitee along with answers to any questions received


2. Purpose of Today's Webinar

- Outline how each District's school-level high poverty SFY 2022 classifications impact budgeting considerations in maintaining MOEq compliance.
- Review of State of NH SFY 2022 budgeting template that will aide each District in meeting MOEq provision requirements.



3. *New ESSER III LEA Maintenance of Equity*

- Applicable to SFY 2022 and SFY 2023:

<p>Per-Pupil Funding</p> <p>LEAs may not reduce per-pupil funding (from combined state and local funds) in High Poverty Schools more than the rate that may be reduced across all schools in FY22 and FY23</p> <p>(Rate: Total Reduction/Total LEA Enrollment)</p>	 <p>Highest Poverty Schools</p> <p>Schools in the top 25% of the all schools in the LEA based on the percentage of poverty students served</p>
<p>FTE Staff</p> <p>LEAs may not reduce FTE staff in High Poverty Schools more than the rate that may be reduced across all schools in FY22 and FY23</p> <p>(Rate: Total Reduction/Total LEA Enrollment)</p>	<p>Exceptions:</p> <p>Shall not apply to LEAs that meet at least one of the following criteria:</p> <ul style="list-style-type: none"> ✓ Total enrollment less than 1,000 students ✓ Operates a single school ✓ Serves all students within each grade span with a single school ✓ Demonstrates an exceptional or uncontrollable circumstance, such as <i>unpredictable changes in student enrollment or a precipitous decline in the financial resources of such agency</i>, as determined by the Secretary of Education

4. *ARP ESSER and MOEq Requirements*

- Instead of actual expenditures (SFY 2022), estimates and projections of actual expenditures will be necessary to monitor compliance.
- Districts will have to continuously estimate financial and staffing data due to the delays and timing of getting that information to the State. For example, budgeting for FY 2023 will occur before FY 2022 is final.
- Note: SFY 2023 will be compared against the SFY 2022 baseline, but the exact SFY 2022 baseline will not be known when allocating funding.
- Districts struggling with this should work with the NHDOE to understand how to best leverage our budget tool to navigate this challenge.
- The SFY 2023 Budget Tool will be released within the coming weeks.

5. How is MOEq Tracked?

- Each of the protected schools must meet a spending and a staffing test.
- They cannot experience a decline in per-pupil spending or staff per pupil over the next two school years, as compared to the previous fiscal year.
- Figure 1 shows the formulas behind each of the tests.
- The tests are administered for each of the protected high-poverty schools individually.

Figure 1: Districts Must Meet MOEquity Fiscal and Staffing Tests

In districts with flat or increasing revenues per pupil, each of the district's protected schools must meet both tests:

Fiscal test	$\frac{\text{School A's state and local } \$ \text{ 22-23}}{\text{Pupils 22-23 (projected)}} \geq \frac{\text{School A's state and local } \$ \text{ 21-22}}{\text{Pupils 21-22}}$	Districts designate ¼ of their schools with highest % of poverty as protected.
Staffing test	$\frac{\text{\# of School A's school-based staff and contractors 22-23}}{\text{Pupils 22-23}} \geq \frac{\text{\# of School A's school-based staff and contractors 21-22}}{\text{Pupils 21-22}}$	

*Education Next: Graphic and Language Borrowed**

6. *What Does My District Need to Keep in Mind Moving Forward?*

- Districts are encouraged to familiarize themselves with the LEA Budget Tool as they work through tracking actual expenditures by school throughout the 2022 school year
 - SFY 2021 actuals have been input across school for each District
 - In sufficing MOEq requirements, districts will need to ensure that they are meeting the spending and staffing tests for SFY 2022
 - Districts will need to do the same as they track their actual expenditures by each school for SFY 2023
 - As districts build their budgets for SFY 2023, they should consider what schools are anticipated to have the highest enrollment and F&R count reductions and whether high-poverty classifications by school may need to be altered from SFY 2022's placements
 - High poverty confirmations by each District's required number of schools will soon be requested for SFY 2023
 - Should no changes be anticipated vs. SFY 2022 selections (provided to NH DOE by each District on October 5, 2021), the District can confirm no change to placement(s) at the time the information is requested
 - We will review the Budget Tool shortly! Districts will be receiving their individual Budget Tool files within the coming days.

Reminder

- Signed MOEq Exception Form (if applicable – upcoming due date – following completion of SFY 2022)
 - Districts may consider sending a brief justification as to why they believe they are exempt along with their completed form
 - Form was included during Part I's data collection for reference purposes only; information regarding exemption status may not be known by the districts until we get further into FY22 following closure of the 2022 fiscal year and final expenditure numbers being made available

7. Budget Tool: How is the State DOE Inputting Data Provided to Each District?

- **Three Datasets:**
- Student Data
 - This Data lags one year because adequacy lags one year.
 - 2019-2020 student data will be applied to FY 2021.
 - 2020-2021 student data will be applied to FY 2022.
- Financial (State & Local) Data
 - Will not include “Special” revenue / which is federal revenue.
 - 2021 financial data from the DOE25 will be applied to FY 2021.
 - 2022 financial data from the DOE25 will be applied to FY 2022.
- Staffing Data
 - 2020-2021 Staffing Data will be used for FY 2021 measurement.
 - 2021-2022 Staffing Data will be used for FY 2022 measurement.