

Florida Finance Council
April 1, 2020

“In the midst of every crisis, lies great opportunity”
~Albert Einstein

Joy Frank:

State Board of Education met this morning and focus was on: 1) food security, 2) transition to online learning, 3) Title I deadline waiver requested until June 1

Question from Superintendents about districts responses to FMLA and Sick Leave acts, and whether they are holding firm on 2/3 not filling in last 1/3. Hope is that all districts hold to the 2/3.

- It appears most districts are allowing employees to use their leave to fill in the other 1/3
- Alachua has “compassion leave” flexibility with use of time and the ability to donate leave to others.
- Pasco is proving hot spots for teaching not having on-line access.
- When we return to the new “normal”, training of our counselors to inform students and parents of the districts own “virtual” program and not an outside source.

Has any union asked for \$100 supplement re: increased use of internet, data, etc?

- No one responded in the affirmative, though some provided hotspots for those unable to get internet in their home

Any word from Amy Baker re: revenue projections for 2020-21? No not yet, early indications were they were going to wait a couple of months and then start projecting. Perhaps late-May and June. The budget has not yet been delivered and probably will not be signed. EDR has not scheduled any estimating conferences either

We need to prepare for decreases to our funding by 10 %-30% for FY 2021. What are the projected revenue losses for this year and next?

Review contracts, purchase orders, any types of spending.

**Extra shout out to Dr. Hamilton for being a huge proponent and cheerleader for the finance officer’s in Florida. – Thank you Judy.

FLDOE Staff:

No answers yet on any issues from last week

Q&A from the Group:

Q: Okeechobee’s emergency period only calls for hurricanes only, does anyone else have policy that is written broader.

A: Pasco has a policy that they will send. Miami-Dade and Palm Beach responding that they are attempting to keep everyone at regular pay at present. In Volusia, they are paying all staff for their regular hours from March 30 – April 15, 2020 (whether they are working from home or on job site. They

are calling staff in to work who are needed for feeding sites and bus drivers to deliver meals to 28 stops as well as maintenance, IT and warehouse staff rotating on a daily basis or as needed for required work.

Q: Is there a way anyone has thought of to differentiate regular pay from extra pay for only some people?

A: Columbia responded that they differentiated for Food Service because it is mandated

Q: Are districts paying for supplements not yet earned?

A: Hillsborough is paying, as well as Palm Beach too; this seems to be the consensus

Q: Governor has just issued a 30-day "Stay-at-Home" order; does this impact teacher who would like to go to their classrooms to manage distance learning?

A: FLDOE says there is no answer just yet as it is all happening right now

Q: Board meeting experiences

A: Some did it telephonically and others had very limited in-person meetings

Q: Budget planning for 2020-21

A: Closing schools, making drastic reductions, everything is on the table.

Next call:

Wednesday, April 8, 2020 (More information to follow)

Topics for next Wednesday:

Columbia:

1. Can you add to the list for FDOE to clarify any instructions regarding the minute's requirement for FTE? I would hope there would be something specific enough for the Auditor General's Office to use during future FTE audits.

Suwannee:

1. Is there any direction available yet on how to access stimulus funds and what the process may look like?
2. Is it expected that FEFP appropriation reductions will be based on district FTE vs. cobbling from various allocations (i.e. mental health, etc.?)
3. Is there any discussion on what performance pay adjustments will look like for 2020-21 in the absence of final evaluations being available?

Florida Finance Council
April 8, 2020
Meeting Notes

Q&A from the Group:

Q: Will add-on FTE (AP, IB, AICE) for 2020-21 be adjusted due to change in testing requirement?

A: Not sure yet; will be part of FAQ from FLDOE.

Q: For next year what are the possibilities for districts getting a pass on meeting class size limits for FY 2021?

A: Requirement is in the constitution, but penalty is in statute. Blended learning could possibly be treated like virtual to be excluded from class size restrictions. In a few weeks when it is better known when the legislature returns a plan about what to discuss with the legislature will be developed – the general belief is that the special session would occur over the Summer. Perhaps a one-year waiver of the penalty is a feasible option.

Q: Should we assume that proposed FRS rates are the ones that should be used to build the budgets?

A: We haven't heard anything about revising those rates.

Q: Clarify instructions regarding the instructional time requirement. I would hope there would be something specific enough for the Auditor General's Office to use during future FTE audits.

A: It is on the FAQ and the general plan is to wait to see what the impact is by districts then the FLDOE will make a final decision on this issue.

Q: Is there any direction available yet on how to access stimulus funds and what the process may look like?

A: Right now, everything is unknown, waiting on FLDOE.

Q: Is it expected that FEFP appropriation reductions will be based on district FTE vs. allocation specific?

A: There is no direction at all on this issue yet.

Q: Is there any discussion on what performance pay adjustments will look like for 2020-21 in the absence of final evaluations being available?

A: One county is discussing whether performance pay should be waived entirely, both from a logistical perspective and public perception perspective. The consensus is to wait for guidance as little to no conversation has bubbled up yet. And many districts are skeptical that any salary raises will occur at all.

Q: Will additional charter school grant revenues be available for charter schools to purchase devices?

A: FLDOE is working with USDOE to get a waiver to use charter school grant to help with devices, but they have not yet received that waiver

Q: Is a one-year waiver for not accepting charter school applications a possibility?

A: Mark Eggers said he would discuss with Suzanne and the Commissioner.

Q: Will there be a possibility to get a federal waiver for the time and effort log since we are planning people from federal grants who are not working?

A: Work with the Title 1 FLDOE team for this waiver.

Q: The extended learning schools staff receive extra pay of one hour, are you paying your folks extra while in shutdown?

A: The general consensus is that yes, districts will continue to pay for the extra time since they should be doing additional services.

Q: Is anyone considering canceling summer school?

A: Columbia is considering actually ramping up to make up for the lost learning time this quarter, hopefully in person.

Q: Will flexibility from Capital LOML (1.5 mills) to General Fund prove helpful?

A: General consensus is that no that would not be helpful as those capital funds are already committed.

Q: Will a waiver be granted for 1011.60 that says staff/services can't be paid for work not performed?

A: Mark Eggers will add to the list to discuss

Q: Will Food Service fund be made whole for all the meals not served.

A: Each district seems to have this issue, Mark Eggers will add to the list to discuss and see if a line of communication with Dept of Agriculture can be established for the revenue needed to cover all the employees that are still being paid. As it is each district is handling distribution of meals differently and payment of food service employees differently.

Next meeting call:

Wednesday, April 15, 2020 (More information to follow)

If you have questions to ask or topics to add, please send them to me.

Florida Finance Council
April 8, 2020 – Notes

Joy Frank:

- Latest Moody's analysis shows a revenue drop for the State of Florida that will be at least 12%
- Special session is coming
- Executive order allows districts to reemploy recent retired personnel, though there is a question of whether school boards are included under that executive order. Joy's advice is meet with your school board attorney and work together to decide if you are going to re-hire and go to FRS for verification of rules.
- Waiting on announcement/decision from Governor DeSantis regarding the current school year calendar regarding reopening or remaining closed. We all need to look toward school year 2020/2021.

FLDOE (Suzanne and Mark):

- Echo Joy's point that no date of reopening schools has been determined.
- CARES Act still has many unknowns. FLDOE has asked USDOE for clarifications but those have not yet come. No word on how Governor's portion would be distributed either.
- All the pending items from the FLDOE are still pending.

Q&A from the Group:

Q: Are districts looking at the employee contract renewal processes?

A: Other districts are beginning to look at this as well

Q: The unexpected closure of our physical schools has affected testing of ELL students that could influence Group 2 cap, is there any potential for leniency in that cap or an opportunity to adjust the forecast.

A: Mark Eggers said FLDOE would look into it.

SNS – Are districts going to be made whole with the SNS expenses, etc.?

Many School Board meetings have been held. Running time between 40 minutes to six and seven hours. Workshops are being held in some districts and not others.

Q: Is any district doing a deep cleaning of schools?

A: Several have, Miami-Dade, Orange and Palm Beach have done so in some form. Palm Beach and Orange are contracting it; Miami-Dade is doing it internally.

Q: Will there be any flexibility around the Cost Report and Time and Effort reporting? Is it possible to grant a waiver to school districts for reporting or at least an extension to the September 11 deadline? The expenses will not be an accurate reflection of school spending given the closure of schools for a quarter the year.

A: Mark Eggers pushed back around a waiver of the entire thing, but will look into potentially seeking an extension of the deadline

Group conversation on a series of issues including payment of employees, contracted SROs, summer learning, having Board meetings in a virtual environment, current budget situation and graduation. Many district polling their seniors for graduation wishes...virtual, holding off until July, location changes, etc.

We need to review new school year budgets, estimate what the Special Session may bring, keep morale of our teams and employees up.

Additionally, as Judy pointed out we should all be reviewing large contracts and asking or demanding price cuts for 12-18 months. What contracts can be terminated? On the other hand, paused?

Alex sent the MOU from Alachua.

Thank you, Thank you, Thank you to Ron for his awesome meeting coverage and Leanne for her technology support and smiles.

Finance Council Call
April 22, 2020

Roll Call

Joy Frank:

- Executive order re: recent retirees returning from DROP has been clarified that School Districts do not qualify.
- Loss of Impact Fee \$ have been raised to FLDOE
- Teachers that need to have certificates renewed have had deadline extended to July 31
- Review of conference call from Governor's reopening taskforce subgroup on Education (Joy will send minutes separately):
 - o Close out Spring semester issues:
 - Students will receive grades
 - Graduations outstanding
 - o Summer school is big issue with large regression especially among historically low performing students
 - o Return in August
 - What does it look like?
 - Immediate assessment of students to judge where they are
 - Assure students transitioning to post-secondary goes smoothly
 - o Conversations around charter schools, private schools, vouchers, etc.
- Conversations have been had around allocation of \$173M Governor's Fund of CARES Act, where we land is still unknown
- Budget is still up in the air, it depends on Revenue Estimating Conference results, and then add in Federal Stimulus funds and there are still many unknowns. A special session, if one occurs, may not happen until after November election.

FLDOE (Suzanne and Mark):

- Three% fund balance will not be waived, if you are below need to notify the commissioner and school board. Below 2% and need a fiscal recovery plan.
- No new info on VPK/Early Learning programs
- No new info on Pell grants/Title IV
- No new info on Federal Programs
- Suzanne spoke to FL Dept of Agriculture and it does not look promising that they have the flexibility to cover districts' loss of revenue
- Districts will determine attendance themselves, and documenting instructional time is up to the districts as well
- FEMA items aren't in his jurisdiction
- Long range financial impact is still an unknown due to one-month lag in revenue expectations
- Any additional special appropriations are up to the legislature and subject to having a Special Session
- Cannot yet address the issue if FMLA subject to taxes
- Too premature to comment on School Recognition funds for 2020/2021
- All stimulus-related questions are premature
- FEFP reductions are still an unknown

- Performance pay adjustments will be determined by districts per Jacob Oliva
- AP/IB/AICE will attempt to have their tests so that add-on FTE and funding should continue
- No answer on charter school grant flexibility question

Q&A from the Group:

Q: I know some very specific waivers have already been granted; however, a general waiver for categorical flexibility (as needed) would be helpful in the current situation.

A: Mark Eggers – A general waiver has not been discussed

Q: We would like to know if the cost of purchasing digital devices and internet hotspots loaned to students qualify for the use of unspent Teachers Classroom Supplies Assistance Program.

A: Mark Eggers – It looks like it meets the intent of the March 17 announcement

Q: Please add mental health training face-to-face waiver

A: Mark Eggers – Unknown

Q: Do we know the FRS retirement percentage for the 2020-21 fiscal year?

A: Mark Eggers – Use the one passed in session

Q: How are districts handling the school district fiscal transparency posting required by F. S. 1011.035? Auditors are already asking for proof of posting in several districts

A: Mark Eggers – Should be getting the data within a week or two, they are working with a vendor to do a website and they are very close to finishing that.

Q: Will the social security/Medicare percentage change due to these COVID-19 laws for the 2020/2021 fiscal year?

A: Unknown from the group

Q: How are you tracking leave? Although governments are not eligible for the payroll tax credit, emergency paid sick leave and emergency Paid Family Medical Leave is not considered wages for the employer portion of OASDI 6.2 percent. How are districts implementing that? Does that apply to 2/3 of the pay but not the 1/3 portion paid by leave?

A: It sounds like Okeechobee is the only entity thinking about this! Great job Corey.

Q: What are districts plan with property insurance?

A: Hillsborough is increasing; they are raising the deductible. Polk also increased deductible. Volusia attempted to increase the deductible but cannot and was quoted 9% increase. Dade and Broward were both quoted 7.5% and are trying to mitigate.

Q: Has anyone heard anything from FEMA re: Covid-19 expenses?

A: There was a webinar where some questions were answered but in general, they will be reimbursing more for health care related expenditures not meal costs for students, etc.

Q: Thomas Ward: If we have to provide sheltering under Covid-19, the costs fall heavily on the district but the county only reimburses 75% and takes a long time. Any examples of other practices?

A: The State weighed in that each district and county need to create their own agreements. Broward will provide their agreement that puts 100% of the costs to the County.

Florida Finance Council
April 29, 2020 – Notes

Joy Frank:

- Statewide Framework – awaiting budget from Tallahassee
- Governor DeSantis possible opening of the State.
- Hope for the best, plan for the worst

FLDOE (Suzanne and Mark):

- CARES Act still has many unknowns. FLDOE has asked USDOE for clarifications but those have not yet come. No word on how Governor's portion would be distributed either.
- Working on pending items from the FLDOE.
- Waiting on FAQ's
- Planning to send out the graphic charts for fiscal transparency for school districts web sites.

From the Group:

- Budget cuts (10% - 15% - 20% cuts), hiring freeze, State surplus vs Economic Outlook, Sales Tax Collections from February. Student teacher ratio, Reduction in Force (RIF), double sessions
- What will be our framework for moving forward?
- Spacing on school buses. Capacity for a 77-passenger school bus? Social Distancing.
- Providing a facemask for each student and employee who has contact with students every day? Do the math.
- We need help and assistance with the Auditor General's Office. Their expectation is far different from the grace and compassion.
- Any flexibility or extensions to Cost Report and Time and Effort reporting?
- TRIM and Public Hearing "Way of Work"

Multiple discussions regarding payments to staff contracted SROs, summer learning, having Board meetings in a virtual environment, current budget situation and graduation.

Thank you, Thank you, Thank you to Leanne for her technology support and smiles.

Make it a great week.

"See" you next Wednesday, May 6, 2020.