



Missouri Department of Elementary and Secondary Education

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July 7, 2010

TO: School District Administrators

FROM: Gerri Ogle, Associate Commissioner, Administrative and Financial Services
Roger Dorson, Coordinator, School Administrative Services

SUBJECT: FY 2011 Basic Formula – Estimated SFSF Allocations

The American Recovery and Reinvestment Act of 2009 (ARRA) contains funding titled “State Fiscal Stabilization Fund” (SFSF). The SFSF is divided into the Education Fund and the Government Services Fund. The SFSF-Education Fund provided a portion of the funding for the FY 2010 Basic Formula. In FY 2011, both the Education Fund and the Government Services Fund will provide a portion of the funding for the Basic Formula.

The State Fiscal Stabilization Fund application submitted by the district at the beginning of FY 2010 remains effective in FY 2011. The acceptable uses of these funds remain unchanged from FY 2010. No ARRA money will be used for Transportation or Career Ladder in FY 2011.

A document has been posted on the School Finance website <http://dese.mo.gov/divadm/finance> on the News & Updates section under the heading “Basic Formula ARRA Information” listing the **estimated** FY 2011 amount allocated by district from each fund. The Education Fund amount is approximately 6.09% and the Government Services amount is approximately 2.39% of each district’s FY 2010 Basic Formula total as calculated in June 2010 after the adjustment. Please locate your district or charter school on that document to see the allocation from each fund.

The July payment will include approximately 50% of the SFSF Government Services allocation. The balance of the SFSF Government Services allocation will be paid in August. Approximately 16% of the SFSF Education Fund allocation will be paid each of the months September through February with any remainder paid in March 2011.

Separate accounting for these SFSF components is required. Quarterly expenditure and jobs created/retained reporting will continue to be required in FY 2011. The FY 2011 revenue codes for these two Basic Formula funds are:

5422 Basic Formula – Federal Budget Stabilization Fund Education – ARRA

Amounts received through the State Foundation Formula from the State Fiscal Stabilization Fund – Education Fund of the American Recovery and Reinvestment Act.

5424 Basic Formula – Federal Budget Stabilization Fund Government Services – ARRA

Amounts received in FY 2011 through the State Foundation Formula from the State Fiscal Stabilization Fund – Government Services Fund of the American Recovery and Reinvestment Act.

Thank you for your extra efforts to comply with the SFSF expenditure and reporting requirements.