

Policy DEA: REVENUES FROM TAX SOURCES

Status: DRAFT

Original Adopted Date: 12/16/1999 | Last Revised Date: 08/17/2000 | Last Reviewed Date: 08/17/2000

EXPLANATION

MSBA has revised this policy for clarity and to be more direct. Many of the topics in this policy are covered in more detail in other policies, so MSBA has changed the focus of this policy to provide a strong statement regarding these essential revenues the district receives from taxpayers and the Board's and superintendent's responsibilities regarding those revenues.

MSBA has highlighted the importance of the Board and superintendent regularly communicating with legislators and policymakers about district funding issues. MSBA strongly believes that the Board's and superintendent's duties must include advocating at the local, state and federal levels on behalf of the district and that this duty is particularly important when the revenues the district relies on for its very existence are involved.

The legislature has adopted two unusual revenue-generating statutes that districts need to be aware of and that prompted MSBA to revise this policy. Ultimately, MSBA decided not to specifically include these new laws in this policy because the policy is not supposed to be a recitation of all relevant statutes, and these new provisions will not impact all districts. That said, MSBA does want school boards to be aware of the following:

1) Senate Bill 768 (2018) allows for some districts to recoup lost property tax revenue. Beginning January 1, 2019, telephone companies were required to make a one-time election on the method used to calculate their property taxes. A school district whose operating levy is at the tax rate ceiling and that receives less tax revenue from a telephone company as a result of this change may impose a fee on the telephone company to recoup the lost revenue. The district may charge this fee until such time as the voters approve raising the tax rate ceiling.

2) Under House Bill 604 (2019), school districts that receive revenue from state taxes imposed on banking institutions (§ 148.030, RSMo.), credit institutions (§ 148.140, RSMo.) and credit unions and savings and loan associations (§ 148.620, RSMo.) must report the amount of that revenue to the Department of Elementary and Secondary Education (DESE) on January 1 of every year starting in 2020. The statute provides a formula that DESE must follow to remit additional state funds to districts that have been impacted by recent declines in those revenues.

The Board recognizes that the Platte County R-3 School District is primarily funded by local, state and federal tax dollars. The Board, district employees and all representatives of the district will be ethical stewards of the funds entrusted to the district.

The superintendent or designee is responsible for ensuring that the district provides accurate reports and assurances and meets other requirements to receive funding. The district shall comply with all requirements governing the funds received and will account for these funds as required by law.

The superintendent is directed to take the steps necessary to maximize the district's revenue at the local, state and federal levels within the parameters of law. The Board and the superintendent will regularly provide information to elected officials on how district funds are used and will communicate the impact that inadequate funding has on students.

The superintendent is directed to regularly provide information to the public, particularly the residents of the district, about the sources of district funding and how the district uses the funding to benefit the students of the district and the community as a whole.

Local

The Board of Education, through the adoption of the annual budget, shall prepare an estimate of the amount of money to be raised by taxation for the ensuing school year, the rate required to produce the amount, and the rate necessary to sustain the district meeting principal and interest payments on the bonded indebtedness and providing the funds to meet other legitimate district purposes.

Whenever it becomes necessary, in the judgment of the Board, to increase the tax rate beyond the authorized level (the amount last approved by the voters of the district or as subsequently revised according to law), the Board shall

determine the rate of taxation necessary to be levied in excess of the existing rate and submit the proposition to the voters of the district. Election procedures shall be in compliance with state law and Article X, Section 11(c) of the Missouri Constitution.

State

The Board of Education will accept all available state funds to which the district is entitled by law or through regulations of the Missouri State Board of Education and/or Missouri Department of Elementary and Secondary Education. State funds, both categorical and general, are based upon objective formulae. The superintendent shall be responsible for ensuring that the district files the required reports and forms to secure the amount of state funds to which it is entitled.

Federal

Applications shall be made for federal funds when available, provided that none of the conditions of acceptance is in disharmony with state law, the policies, rules and procedures of the Board of Education and the objectives of the district. The school district shall comply with all federal requirements governing these moneys, and shall account for each federal project separately and expend said funds as authorized by the approved project application only.

Policy Reference Disclaimer: These references are not intended to be part of the policy itself, nor do they indicate the basis or authority for the board to enact this policy. Instead, they are provided as additional resources for those interested in the subject matter of the policy.

State References

§§ 148.030, RSMo.

§§ 164.011-.141, RSMo.

§137.073, RSMo.

§137.115, RSMo.

§148.140, RSMo.

§148.620, RSMo.

§148.720, RSMo.

§153.030, RSMo.

§163.021, RSMo.

§163.031, RSMo.

Mo. Const. art.X §§ 11(c)

Description

State Statute - <https://simbli.eboardsolutions.com/SU/s/shVClYWU73Tdpv4JZYxrPDw==>

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State Constitution - <https://simbli.eboardsolutions.com/SU/s/shVClYWU73Tdpv4JZYxrPDw==>

Federal References

34 C.F.R Part 75

DIRECT GRANTS PROGRAM - <https://simbli.eboardsolutions.com/SU/aJX5mfZD1pluss1btjfs/shfEmXA==>

34 C.F.R. § 110

Federal Regulation - <https://simbli.eboardsolutions.com/SU/aJX5mfZD1pluss1btjfs/shfEmXA==>

34 C.F.R. Parts 75, 76, 77, 79, 80, 110

Federal Funding and Grants - <https://simbli.eboardsolutions.com/SU/aJX5mfZD1pluss1btjfs/shfEmXA==>