

MONTANA ASSOCIATION OF SCHOOL BUSINESS OFFICIALS

NOVEMBER 2017

MASBO is dedicated to training and supporting the people responsible for business operations in Montana schools. Our goal is to enable members to manage the business in order to support education for Montana children.



MASBO Staff

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UPCOMING TRAINING OPPORTUNITIES

MASBO 2018 BUDGET WORKSHOPS

Spring (ish) 2018 Budget Workshops are scheduled for the following dates and locations:

- February 22 – Missoula
- February 23 – Great Falls
- March 1 – Miles City
- March 2 – Billings

Why so early? This year's Budget workshop will focus on how to develop and prepare the resolution required in Section 1 of [Senate Bill 307](#), which was passed by the 2017 Legislature. The resolution must be adopted by the trustees **no later than March 31** and published in a newspaper of general circulation and on the district's website, if you have one. So, the workshops are offered a month earlier than past years.

What resolution? The trustees must adopt a resolution to provide notice of their intent to impose an increase in a nonvoted levy in the ensuing school fiscal year for the purposes of funding any of these funds:

Transportation, Bus Depreciation, Tuition, Adult Education and Building Reserve. The resolution must include the estimated number of increased or decreased mills to be imposed and the estimated increased or decreased revenue to be raised compared to nonvoted levies in these funds imposed in the current school fiscal year and, based on the district's taxable valuation most recently certified by the department of revenue under 15-10-202, the estimated impacts of the increase or decrease on a home valued at \$100,000 and a home valued at \$200,000.

Huh? Exactly! We'll explain the requirements, provide you tools to determine the information needed for the resolution, and strive to help you leave the workshop with a resolution that you will have ready in time for your March board meeting.

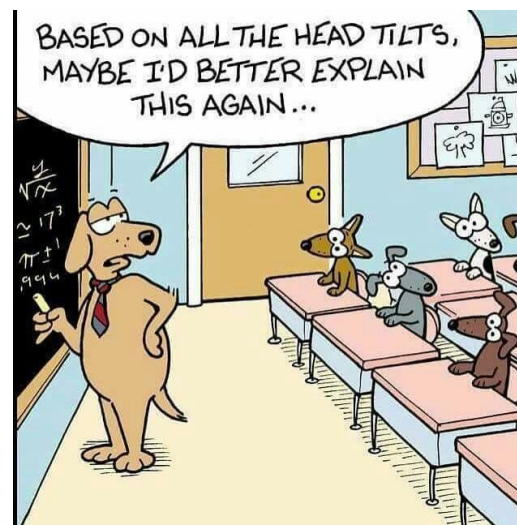
How do I sign up? Registration, and an agenda, including a list of information you'll need to bring to the workshop, is coming soon. Until then, **MARK YOUR CALENDAR** for the date you wish to attend.

AMERICAN FIDELITY OFFERS ASSISTANCE WITH ACA EMPLOYER REPORTING

If you are a large employer subject to the reporting requirements of the Patient Protection and Affordable Care Act (ACA), you are planning to manually complete your IRS reporting forms, you are invited to join American Fidelity Administrative Services (AFAS) for an informational webinar. This presentation will offer an overview of the finalized forms and line-by-line instructions for completing them. The webinars will take place on the following dates:

- Friday, [December 1](#) at 2:00 p.m. – 3:00 p.m. CST (**1:00 p.m. – 2:00 p.m. in Montana**)
- Thursday, [December 14](#) at 10:00 a.m. – 11:00 a.m. CST (**9:00 a.m. – 10:00 a.m. in Montana**)

Cost is \$100 per attendee. To register, click on the date of the webinar you wish to attend. Space is limited, so register early. Customers who signed up for AFComply reporting service do not need to participate in this webinar.

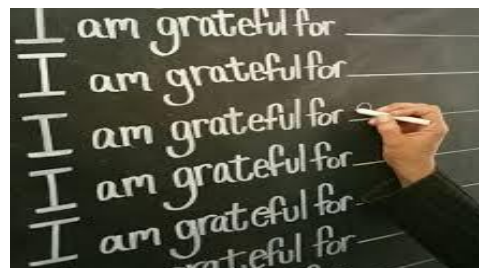


MASBO Board of Directors

President	Cindy Foley, West Valley Schools	Region 1 Director	Noreen Anderson, Hellgate K-8 School
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Ex-Officio, OPI	Kara Sperle	Region 6 Director	Jen Mettler, Baker Schools

HAPPY THANKSGIVING, MASBO!

In this season of reflection and gratitude, we are thankful for all of you - your friendship, your support for our organization and your peers and your hard work to make Montana's public schools the best ever are among our many blessings.



2018 MEMBERSHIP DIRECTORY

Click [here](#) to place an online order of the 2018 MASBO Membership Directory. We will mail you a hard copy which includes contact information for all MASBO members. The cost is \$10 per copy (includes shipping).



MASBO 50TH ANNIVERSARY COMMEMORATIVE PIN

Designed by Montana Silversmiths, this special 50th anniversary pin will be cast from jewelers bronze and plated in 24 karat gold with hand-painted blue accents. Cost is \$20 (includes shipping and handling). Click [here](#) to place your order!

MASBO CERTIFICATION PROGRAM

TOP TEN REASONS TO GET YOUR MCSBO

5. Trust of Board, Community, Administrators, Staff and Students:

Understanding and knowledge bring confidence. Becoming a Montana Certified School Business Official spawns a deeper understanding and broader knowledge base of school finance. As a confident School Business Manager, explanations of the budget process, how funds work and taxation can be presented creatively to foster better understanding by the public we serve.



P-CARD NEWS-----

MASBO P-CARD PURCHASES REPORT

P-Card purchases for seven months of the rebate year (April - October) totaled over **\$12.2 million** with **128** school districts and special education cooperatives participating in the program. At the same time last year, we had 113 participants with almost \$11.3million in total purchases. Click [here](#) to see the current year P-Card purchases report.

LEGISLATIVE UPDATE

2017 SPECIAL SESSION

On November 6, 2017, Governor Steve Bullock [called the Montana Legislature into special session](#) on November 14 for the limited purpose of approving fund transfers, reducing state general fund expenditures, and adopting temporary revenue measures to address the projected shortfall in revenue for the 2019 biennium and to provide for appropriations for greater than expected fire suppression and mitigation costs.

The Legislature met on November 14 and 15th to consider several proposals (click [here](#) to see the full list of the bills that were introduced in this session and their status). The most significant proposal affecting Montana schools is [Senate Bill 2](#), which provides the following:

- eliminated the combined fund and transportation fund block grants to school districts for FY2019 and thereafter
- eliminated the block grant reimbursements to counties for countywide school transportation and countywide school retirement in FY2019 and thereafter
- reduced the appropriations for the total amount of state transportation reimbursement payments to school districts for FY2018 and FY2019 by \$1.693 million in each fiscal year
- requires school districts to transfer revenue from any budgeted or nonbudgeted fund (except for retirement and debt service funds) to the transportation fund to eliminate property tax increases in FY2018, FY2019, FY2020 and FY2021 that result from the provisions of SB2 cuts described above

As you know, there were other funding reductions to schools that took place prior to the special session. Lower than expected projections for the state FY2019 ending fund balance triggered various cuts outlined in [Senate Bill 261](#) passed during the 2017 regular session. In addition, the Governor implemented budget cuts under the provisions of [17-7-140, MCA](#).

To help sort it all out, the Office of Public Instruction has posted a [summary](#) on its website. This is a recap of the changes that have been made since the close of the regular session in May 2017, including SB261 reductions, budget cuts under 17-7-140, MCA and further cuts and reductions approved in SB2. The School Finance Division is working to provide further guidance to school districts on how these changes will be implemented within the schedule of state payments and in the MAEFAIRS reporting system. Stay tuned!



STAY CURRENT WITH OPI

Don't forget to check out the OPI Summary of Activities for important information from all divisions of the Office of Public Instruction, including School Finance. Click [here](#) to view the current summary.

In case you didn't see them the first time around, or need to re-read an OPI Official Email, click [here](#) to see a list of past messages.

And, if you haven't done so already, sign up to receive important messages from various divisions at OPI. Click [here](#), enter your email address, choose the contact lists you want to join, input the security code and then submit.

HANDY RESOURCE

MT Department of Administration - Local Government Services

The LGS Local Government Entity Portal currently contains most of the reports that the Bureau has received electronically or has posted scanned hard copies, beginning with Fiscal Year 2010. You can see audit contracts, audit reports and financial reviews by searching this database. Click [here](#) to get started.

CATCH UP ON YOUR MONTHLY RECONCILIATIONS

Now is a good time to catch up on reconciling your cash accounts to the county treasurer's report, Fund 15 projects to Fund 15 total cash and student activity accounts to Student Activity Fund total cash.

OPI has some great tools for helping you accomplish these tasks. Click on each link below to access the Excel worksheet.

[Reconciling to the County Treasurer](#)
[Fund 15 Recap Worksheet](#)
[Student Activity Fund Recap Spreadsheet](#)



GET READY FOR CALENDAR YEAR END

ANNUAL PAYROLL REPORT INSTRUCTIONS

Now is not a bad time to review all the rules and deadlines for filing annual payroll reports:

- 2017 General Instructions for [Forms W-2 and W-3](#)
- 2017 Instructions for [Form 1099-MISC](#), Miscellaneous Income
- 2017 [Montana Withholding Tax Guide](#) (see page 5 for annual filing requirements)
- Affordable Care Act
 - [Form W-2 Reporting of Employer Sponsored Health Coverage](#)
 - [Information Center](#) for Applicable Large Employers (ALE)
 - **Section 6055 Forms:** Insurers and employers that sponsor self-insured health plans will use IRS Forms 1094-B and 1095-B to report on individuals enrolled in minimum essential coverage.
 - [Form 1094-B](#) Transmittal of Health Coverage Information Returns
 - [Form 1095-B](#) Health Coverage
 - **Section 6056 Forms:** Large employers will use IRS Forms 1094-C and 1095-C to report on offers of health coverage and enrollment in employer-provided plans. Employers that sponsor self-insured plans and that are also applicable large employers will use Forms 1094-C and 1095-C to file a combined report under both section 6055 and 6056.
 - [Form 1095-C](#) Employer-Provided Health Insurance Offer and Coverage
 - [Form 1094-C](#) Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns

OTHER PAYROLL REMINDERS

MONTANA MINIMUM WAGE FOR 2018

Montana's minimum wage will be **\$8.30** per hour *effective January 1, 2018*. For more information on the Montana Department of Labor and Industry website, click [here](#).

2017 PENSION PLAN LIMITATIONS

The Internal Revenue Service announced cost-of-living adjustments affecting dollar limitations for pension plans and other retirement-related items for tax year 2018. Technical guidance detailing these items can be found in ***Notice 2017-64***, but you can also click [here](#) for general information.

MASBO ENDORSES THESE PROGRAMS

	<p>Health, Dental, Vision, Life and Long-Term Disability Benefits Andy Holmlund, Chief Executive Officer 406-457-4400 aholmlund@ms-sf.org http://mustbenefits.org/</p>
	<p>Montana Schools Unemployment Insurance Program Theresa LeSueur, Director 406-457-4407 tlesueur@mtsba.org http://www.mtsuip.org/</p>
	<p>Montana Schools Property & Liability Insurance Plan Dave Pillatzke, Program Manager 406-457-4531 dpillatzke@paynewest.com http://msplip.com/</p>
	<p>Healthcare Reform Section 125 Services Health Savings Account Services Angie Newman, State Manager II 877-589-2544, ext. 352 angie.newman@americanfidelity.com http://www.americanfidelity.com/home.aspx</p>
	<p>Montana Schools Group Insurance Authority Workers Compensation Insurance Shawn Bubb, Director of Insurance Services 406-457-4500 sbubb@mtsba.org http://www.msgia.org/home</p>

IMPORTANT DATES & DEADLINES – DECEMBER 2017

DECEMBER 1

Licensed educators and professionals must have registered his or her license with OPI.	Educators without a valid license will not be considered in the FTE for the payment. A license must be current as of December 1 of the school year in which the employee is reported in order to be valid for purposes of the quality educator payment calculation for the following fiscal year.	A.R.M. 10.21.201(4)
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DECEMBER 10

Deadline for making changes to FY2017 Trustees Financial Summary	<p>The FY2017 Trustees Financial Summary (TFS) may be revised to correct a material coding error. Submit a revision to Mari Haefka in the School Finance Division. Changes to the FY2017 Trustees Financial Summary are limited to:</p> <ul style="list-style-type: none"> Coding revisions between revenue and expenditure line items provided no change occurs in the fund balance of the budgeted funds, and Revisions in the balance sheet accounts provided no change occurs in the fund balance of the budgeted funds. 	A.R.M. 10.10.504(6) OPI Summary of Activities (scroll down to School Finance Division section)
File school food program claim for reimbursement with OPI	Claims for reimbursement are due on the 10th of each month	Montana Agreement and Payment System (MAPS) log in page School Nutrition Programs Checklist Reimbursement Rates for FY2018 FY2018 School Nutrition Payments
OPI pays grant cash requests	OPI pays grant cash requests submitted by the 25 th of the previous month.	E-Grants System Log in to your district's account, or click on Public Access, then Vendor Payee Details

DECEMBER 14

Candidates for trustee election on May 8, 2018 may file a Declaration of Intent and Oath of Candidacy	<p>Trustee candidates file for election. A Declaration of Intent and Oath of Candidacy must be filed with the election administrator. No candidate may appear on the ballot unless the candidate files between <i>December 14, 2017 and Thursday, March 29, 2018</i>. The candidate for trustee must be registered to vote at the time the Oath is filed.</p> <p>County superintendents need to log into the County application and complete/verify their district classification and board compositions for the 2018 school election season.</p>	Declaration of Intent and Oath of Candidacy 2018 School Election Calendar Quick Reference Guide: County District Classification Collection
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IMPORTANT DATES & DEADLINES – DECEMBER 2017

DECEMBER 22

OPI makes K-12 BASE aid payments	(DSA) Direct State Aid (QEC) Quality Educator Component (ARC) At Risk Student Component (IEA) Indian Education for All (SAG) Student Achievement Gap (SPED) State Special Education Payments *(TECHF) Technology Funding ** (D4A) Data for Achievement *** (NRD) Natural Resource Development	FY2018 Payment Schedule (scroll to bottom of page State School Payments * Redirected as per HB390 ** Eliminated for FY2018 per SB261 *** Redirected as per HB647
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DECEMBER 25

Grant cash request due to OPI	Grant cash requests made by this date will be paid on January 10.	OPI State and Federal Grants Handbook
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DECEMBER 31

<p>End of 4th quarter payroll period</p> <p>End of calendar year payroll period</p>	<p>Check with your software vendor to see if a year-end backup is required.</p> <p>After final payroll, reconcile quarterly payroll reports for the calendar year with W-2 totals.</p>	<p>MASBO Payroll Manual (see page 5)</p>
District of residence pays at least one-half of any tuition and transportation obligation	By December 31 of the school fiscal year following the year of attendance, the district of residence shall pay at least one-half of any tuition and transportation obligation established under subsection (5)(a)(i) out of the money realized to date from the district tuition or transportation fund levy. The remaining tuition and transportation obligation must be paid by June 15 of the school fiscal year following the year of attendance.	20-5-324(5)(a)(ii), MCA
Verify the number of American Indian students reported with the Fall Enrollment Count and make changes/corrections	<p>Students identified as American Indian in the AIM system at the time the data is imported into the MAEFAIRS fall count will generate funding for the Student Achievement Gap (SAG) payment in the ensuing year.</p> <p>School district business managers/clerks should verify that the Students Imported From AIM In SAG Report located in the MAEFAIRS application accurately reports the number of American Indian students enrolled in the district. If the report is not correct, please contact Nica Merala at 406-444-4401 or nmerala@mt.gov to make the necessary changes.</p> <p>Pursuant to ARM 10.21.204, changes to this designation will not be accepted after <u>December 31, 2017.</u></p>	<p>20-9-330, MCA ARM 10.21.204</p>

FROM OUR FRIENDS AT AMERICAN FIDELITY ASSURANCE COMPANY

IRS Announces Inflation Adjustments for Health FSAs

Recently, Internal Revenue Service (IRS) announced annual inflation adjustments for many tax provisions. One adjustment we want to immediately share with you is an increase on the 2018 employee contribution maximum for employer-sponsored Health Flexible Spending Accounts (Health FSA). The maximum annual contribution will increase from the current \$2,600 to \$2,650 for plan years beginning 1/1/ 2018 and later.

Health FSA Contribution

<u>Year</u>	<u>Maximum Employee Contribution</u>
2017	\$2,600
2018	\$2,650

What does this mean to you? If you (Employer) choose to implement this change, the Section 125 team will need to be notified to update your Section 125 Plan document prior to its plan year renewal date. The change is effective when your new plan year starts in 2018. For example: If your plan year starts 3/1/18, the new maximum will be effective with elections made for 3/1/18 and later. Please email us at the address below if you wish to increase your Plan's maximum.

Below are the HSA contribution limits for 2018 along with the High Deductible Health Plan requirements as announced earlier this year.

HSA Contribution

<u>Year</u>	<u>Self-Only Coverage</u>	<u>Family Coverage</u>
2017	\$3,400	\$6,750
2018	\$3,450	\$6,900

Qualified High Deductible Health Plan

<u>2018</u>	<u>Self-Only Coverage</u>	<u>Family Coverage</u>
Minimum deductible	\$1,350	\$ 2,700
Maximum out-of-pocket	\$6,650	\$13,300

American Fidelity Assurance Co. Clients:

If you have any questions or need assistance with employee communication of this change, please contact:

American Fidelity Assurance Company

Account Administration

Phone: 800-662-1113

Email: wq-acctadmin-S125@americanfidelity.com



IRS VIDEO PORTAL

Didn't have time to watch the webcasts this summer? Catch up by clicking [here](#) to watch videos on reconciling Forms 941/W-2/W-3 to Gross Payroll, how to prove your tax exempt status as a government entity, Form 1099-MISC, worker classification, Form W-9, determining full-time status of employees under the Affordable Care Act, and more. Choose from the categories listed on the left side of the page.

MASBO EXHIBITOR MEMBERS

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Montana Schools Property & Liability Insurance Plan (MSPLIP) Dave Pillatzke dpillatzke@paynewest.com	Montana Schools Unemployment Insurance Program (MTSUIP) Theresia LeSueur tlesueur@mtsba.com	Montana Unified School Trust Andy Holmlund aholmlund@ms-sf.org
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Give the gift of health and safety



Are you ready for the holidays?

As you get ready for holiday meals and time with friends and family, don't forget to give the gift of health and safety with these easy holiday tips:

- Wash your hands often with soap and water for at least 20 seconds.
- In cold weather, stay dry and dress warmly in a few layers of clothing.
- Manage stress. Relax and have a positive outlook. And don't overspend or over-commit.
- Travel safely by wearing your seat belt and by not drinking and driving.
- Give yourself and your loved ones a great holiday gift: If you smoke, quit.
- If you haven't gotten your flu shot, remember a vaccination is the best protection against flu.
- Most fires in the home happen in winter. Make sure your smoke detector and carbon monoxide detector are working.
- Stay active during the holidays and eat healthy. Limit holiday snacks and sweets to a couple of special treats each week.



Food is a key part of most people's holidays. To help protect you and your guests from food borne illness, always wash your hands, clean kitchen surfaces and practice safe food handling and storage.



BlueCross BlueShield
of Montana

MUST
MONTANA UNIFIED SCHOOL TRUST

www.mustbenefits.org

Source: Centers for Disease Control and Prevention

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