



MARSS University 206 Compensatory Revenue

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October 27, and November 18, 2020

Compensatory Revenue – What is it?

- State funding that must be reserved and used to meet the educational needs of the students.
- Especially for those children under-prepared to learn or below the level that is appropriate for learners their age.
- Used for programs designed to prepare and assist children and their families for school.

Compensatory Revenue (1)

- School sites where students who attend are eligible for free or reduced-priced lunches.
- Receive compensatory revenue based on the number of eligible students at the site.
- Compensatory revenue per student increases as the percent of students who are eligible for free and reduced-price meals at a particular school site increases.

Compensatory Revenue – What can it be used for?

Allowable uses of the revenue are listed in [Minnesota Statutes, section 126C.15, subdivision 1](#).

- Direct instructional services
- Remedial instruction, for example: reading and math
- Staff development

Compensatory Revenue

Based on:

- Counts of students enrolled on October 1.
- Number of students enrolled who are eligible for free or reduced-price meal program.
- Fall Minnesota Automated Reporting Student System (MARSS) file only – not updated End-of-Year (EOY).
- Report the highest eligibility for the entire year.

Current year's counts generate next year's revenue.

For first year charters, current year's counts generate revenue for the current year and next year.

State Aid Categories (SACs)

Includes public school students only.

Excludes:

- SACs 14, 52 – enrolled in other state.
- SACs 15, 20-22 – ineligible to generate state aid.
- SACs 16-18 – nonpublic shared time students.
- SAC 28 – enrolled in nonpublic care and treatment.
- SACs 41-45 – health and developmental screening.
- SAC 46 – extended school year (ESY).
- SAC 98 – not enrolled in school.

Grades/Schools Included

- All grades Early Childhood (EC) through 12 are included.
- EC students *without* an Individualized Education Program (IEP)/Individualized Family Service Plan (IFSP) are excluded.
- Eligible Voluntary Prekindergarten (VPK) students included.
- Targeted services students are counted in the traditional school only.

October 1 Enrolled

- Student is counted only once in the October 1 statewide counts.
- Status Start Date on or before October 1.
- Status End Date on or after October 1, or is blank, indicating that student is enrolled as of the submission date.
- When date overlap error crosses October 1, student is counted in the record with later Status Start Date.

Alternative Program October 1 Counts

Dual enrolled students

- Full-time at traditional school and also at an alternative program.
- Percent Enrolled 999 at alternative program.
- October 1 counted at traditional school.

Concurrently enrolled students

- Part-time at traditional school and also at an alternative program
- Percent Enrolled 998 at alternative program.
- October 1 counted in the alternative program.

Data Item Values:

- 0 = full-pay, not eligible.
- 1 = documentation for reduced price meals.
- 2 = documentation for free meals.

Thirty-day carry over from prior year for purposes of meal eligibility applies only to food service; it cannot be used for MARSS reporting.

Family does not need to accept a free meal for the student to be reported as eligible for free.

Use same certification and verification as used for food services.

Fall vs. EOY MARSS Files

On the *fall* file, report the highest level of eligibility certified for the current school year between July 1 and December 15.

On the *EOY* file, report the highest level of eligibility certified for the current year between July 1 and the end of the year.

No need to create a new record when eligibility changes.

Compensatory revenue counts are *not* updated using EOY MARSS files.

How Families are Determined to be Eligible (1)

Application for Educational Benefits

- Food and Nutrition Services (FNS) for all schools that provide a food service program.
- Schools that participate in School Nutrition Programs accept applications for free and reduced-price school meal benefits. Approval is based on comparison of the household's income to current U.S. Department of Agriculture (USDA) household income guidelines.

Application for Educational Benefits

From [Minnesota Department of Education \(MDE\) homepage \(education.mn.gov\)](https://education.mn.gov)

- Districts, Schools and Educators
- School-Community Connections
- Food and Nutrition
- School Nutrition Programs
- Free and Reduced-Price Process
- Student Meal Applications
- [2020-21 Application for Educational Benefits](#)

Community Eligibility and Free Meals for Kindergarten

Food and Nutrition Services (FNS) programs.

- Community Eligibility schools provide free meals to all students enrolled.
- Provision 2 and 3 schools provide free meals to all student enrolled.
- Free breakfast for students in grades 1-12 who qualify for free or reduced-price meals and to all kindergarten students.
- Used only for purposes of FNS, not for MARSS reporting or compensatory revenue purposes.

How Families are Determined to be Eligible (2)

Alternative Application for Educational Benefits specifically for use by the following types of schools:

- Schools participating in Community Eligibility Provision.
- Provision 2 and 3 schools.
- Schools without a food service program.

All of these schools should use the [2020-21 Household Income Guidelines and Alternate Application for Educational Benefits](#).

How Families are Determined to be Eligible (3)

Direct Certification

- Process by which a file of eligible children is provided to MDE by the Minnesota Department of Human Services (DHS) and is matched to MARSS enrollment records. The enrolling district needs to verify that the student on the Direct Certification list is the same student who is enrolled in the school.

Categorical Eligibility For Free

- Migrant students with a Certificate of Eligibility.
- Homelessness verified by district's homeless liaison.
- Students in a residential program.
- Foster children.
- Head Start, if prekindergarten with an IEP/IFSP.
- Eligibility does not extend to other children in the same household.

School must have related documentation. Refer to [Eligibility Manual for School Meals](#).

MARSS Student Reporting

To report a student as eligible for free or reduced-price on MARSS:

- Application for Educational Benefits.
 - For students with access to a meal program.
- Alternate Application for Educational Benefits.
 - For students without access to a meal program.
 - For students enrolled in either Community Eligibility or Provision 2 or 3 schools.
- Direct Certification.
 - Direct Certification report from FNS.
 - MARSS edit program. Warning on MARSS 08 Error Report.

Keep a copy of all documentation used to report Economic Indicator for three years after the close of the year for audit purposes.

MARSS Reporting

- MARSS collects Economic Indicator (free or reduced-price meal eligible) for each student enrolled.
- Data are used for compensatory revenue and demographics.
- To report as eligible for free or reduced-price meals, each student must be individually certified.
- Eligibility must be done annually for MARSS.

Verifying Economic Indicator Data

- Local Reports, MARSS 08 Error Report
 - Warning #364
- Local Reports, MARSS 12 Compensatory Revenue Student Count Report
- Statewide Reports, MARSS 28 Economic Indicator Report
- Compensatory Revenue Aid Entitlement Report – Minnesota Funding Reports (MFR)

MARSS Warning #364

May be Free Eligible via Direct Certification

District 0012:01 CENTENNIAL PUBLIC SCHOOL DISTRICT School 161 PINES SCHOOL - RJC		MARSS ERROR / WARNING REPORT Using FALL Data 2016-2017 SCHOOL YEAR				Page 5 of 26 Edited 9/28/2016 2:22:08PM Printed 10/3/2016 2:43:14PM	
Student Name	Local Use Data	MARSS Number	Begin Date	End Date	Data Item and Value in Question	#	Error / Warning Message
Grade 05 --- School/Grade Warning ---					School=161:Grade=05	149	*W* Sch/Grd Rec without any students reported
Grade 06 --- School/Grade Warning ---					School=161:Grade=06	149	*W* Sch/Grd Rec without any students reported
Grade 07 --- School/Grade Warning ---					School=161:Grade=07	149	*W* Sch/Grd Rec without any students reported
Grade 08 --- School/Grade Warning --- --- School/Grade Warning --- --- School/Grade Warning --- --- School/Grade Warning ---	111347 000014942 111347 *** Case #		09/28/2016 09/06/2016 09/28/2016	06/07/2017 06/01/2017 06/07/2017	Econ Indicator Females=0 Language=011 Special Ed=0 Begin Date 09/28 *** End Date 06/01 PREV REC Economic Indicator=0: NOT eligible *** Applicant: [REDACTED]	158 124 143 171 326 364	*W* Compensatory Revenue counts=0 *W* All students reported as male *W* All students have language = English *W* No students reported in spec education *CD* Date overlap between districts *** Other District 0882:01:030 Grade 08 as of 09/28 *W* May be FREE eligible via Direct Certification
Grade 09 --- School/Grade Warning --- --- School/Grade Warning ---	104307 104307 *** Case # 111192 151578		09/28/2016 09/06/2016 09/28/2016 09/15/2016 09/06/2016	06/07/2017 06/15/2017 06/07/2017 09/19/2016 06/09/2017	Language=011 School=161:Grade=09 Begin Date 09/28 *** End Date 06/15 PREV REC Economic Indicator=0: NOT eligible *** Applicant: DHS Foster Program Begin Date 09/15 *** End Date 06/09 PREV REC	143 301 326 364 326	*W* All students have language = English *W* Spec ed students reported but no Tran Cat 03 *CD* Date overlap between districts *** Other District 0480:01:030 Grade 09 as of 09/23 *W* May be FREE eligible via Direct Certification *CD* Date overlap between districts *** Other District 0833:01:058 Grade 09 as of 09/28
Grade 10 --- School/Grade Warning --- --- School/Grade Warning ---	110871 110871 *** Case # 103442 *** Case # 108984 108984		09/06/2016 09/13/2016 09/06/2016 09/06/2016 09/20/2016 09/13/2016	09/23/2016 06/02/2017 09/23/2016 09/14/2016 06/07/2017 09/13/2016	Language=011 School=161:Grade=10 End Date 09/23 *** Begin Date 09/13 NEXT REC Economic Indicator=0: NOT eligible *** Applicant: DHS Foster Program Economic Indicator=0: NOT eligible LLA=14 *** LLA=14	143 301 326 364 364 114	*W* All students have language = English *W* Spec ed students reported but no Tran Cat 03 *CD* Date overlap between districts *** Other District 0485:01:020 Grade 10 as of 09/22 *W* May be FREE eligible via Direct Certification *W* May be FREE eligible via Direct Certification *W* Must be first student record for year *** Other School 161 Grade 10

MARSS 12 Compensatory Revenue Student Report

MARSS COMPENSATORY REVENUE STUDENT COUNT REPORT

Serving District CENTENNIAL PUBLIC SCHOOL DISTRICT
Serving School All Schools

USING FALL DATA
2020-2021 SCHOOL YEAR
District Level of Detail

Page 1
Edited 10/22/2020 1:46:47PM
Printed 10:50:26AM

Information contained in this report must be treated as private data on students.

Grade Level				Total Eligible for		Total Eligible for		Combined Totals for Reduced		Compensatory Revenue Enrollment Total
	0 Ineligible	1 Reduced	2 Free	Reduced Price Meals	%	Free Meals	%	+ Free Meals	%	
EC	87	1	17	1	1.0%	17	16.2%	18	17.1%	105
HK	58	2	9	2	2.9%	9	13.0%	11	15.9%	69
KE	303	6	43	6	1.7%	43	12.2%	49	13.9%	352
01	424	14	51	14	2.9%	51	10.4%	65	13.3%	489
02	412	13	49	13	2.7%	49	10.3%	62	13.1%	474
03	441	8	48	8	1.6%	48	9.7%	56	11.3%	497
04	429	14	42	14	2.9%	42	8.7%	56	11.6%	485
05	420	10	42	10	2.1%	42	8.9%	52	11.0%	472
06	454	16	51	16	3.1%	51	9.8%	67	12.9%	521
07	453	19	44	19	3.7%	44	8.5%	63	12.2%	516
08	467	15	56	15	2.8%	56	10.4%	71	13.2%	538
09	451	15	51	15	2.9%	51	9.9%	66	12.8%	517
10	442	16	47	16	3.2%	47	9.3%	63	12.5%	505
11	494	8	36	8	1.5%	36	6.7%	44	8.2%	538
12	532	13	40	13	2.2%	40	6.8%	53	9.1%	585
Totals:	5887	170	626	170	2.8%	626	9.4%	796	11.0%	6663

MARSS 28 Economic Indicator Comparison Report

MINNESOTA DEPARTMENT OF EDUCATION Economic Indicator Comparison Report SCHOOL YEAR 2020/21

0012:01 CENTENNIAL PUBLIC SCHOOL DISTRICT

Cycle: Fall 21

Using your most recent MARSS submission 10/22/2020, this report compares the Economic Indicator counts reported by your district/charter school between the last two years. The Economic Indicator counts are used to calculate Compensatory Revenue for each school, to allocate Title I services for each school, and to determine eligibility for programs such as Student Loan Forgiveness.

The report lists each school in your district/charter school with the corresponding Economic Indicator counts. Detailed counts of these categories are available through the MARSS Web Edit System (WES) summary report titled 'Compensatory Revenue Student Count'. The Economic Indicator counts shown below are limited only to those students who were enrolled over October 1 and who have an eligible State Aid Category*. Additionally, students with MARSS errors or students in grade EC who don't have an IEP/IFSP are excluded from the counts.

The Fall FY 20 data are final. However, use this report to identify reporting errors in the Fall FY 21 MARSS files. Reporting errors or omissions must be corrected locally and the files resubmitted in the normal manner.

Email questions on this report to marss@state.mn.us

School Name	2019/20					2020/21				
	Enrolled Oct 1 PK-12	Reduced	+Free	=Total	%	Enrolled Oct 1 PK-12	Reduced	+Free	=Total	%
158 Pines School - ACS	29	0	9	9	31.0	18	0	6	6	33.3
159 Pines School - NSP	20	0	11	11	55.0	16	0	10	10	62.5
161 Pines School - RJC	24	0	13	13	54.2	16	0	9	9	56.3
162 PINES SCHOOL DAY PROGRAM	8	0	4	4	50.0	7	0	1	1	14.3
164 CENTENNIAL HIGH SCHOOL	2026	92	177	269	13.3	2009	49	139	188	9.4
166 CENTENNIAL MIDDLE	1572	84	181	265	16.9	1569	50	146	196	12.5
167 CENTENNIAL AREA LEARNING CENTER	59	6	16	22	37.3	51	3	13	16	31.4
168 CENTENNIAL TARGETED SERVICES	0	0	0	0	0.0	0	0	0	0	0.0
169 Centennial Extended School Year	0	0	0	0	0.0	0	0	0	0	0.0
170 CALC TRANSITION	30	1	5	6	20.0	23	0	0	0	0.0
171 PROJECT SEARCH	9	0	0	0	0.0	10	0	0	0	0.0
510 CENTENNIAL ELEMENTARY	508	28	67	95	18.7	528	20	104	124	23.5
511 CENTERVILLE ELEMENTARY	544	20	21	41	7.5	516	11	18	29	5.6
512 GOLDEN LAKE ELEMENTARY	403	39	108	147	36.5	395	14	63	77	19.5
513 RICE LAKE ELEMENTARY	685	21	35	56	8.2	624	13	25	38	6.1
514 EARLY CHILDHOOD CENTER	116	4	8	12	10.3	105	1	17	18	17.1
515 BLUE HERON ELEMENTARY	807	37	85	122	15.1	775	9	74	83	10.7
TOTAL	6840	332	740	1072	15.7	6662	170	625	795	11.9

Compensatory Revenue Aid Entitlement Report

Preliminary reports posted to MFR after each statewide fall MARSS edit.

Final report posted in January after final fall MARSS submission.

From the [MDE homepage](#), select Data Center > Data Reports and Analytics > School Finance Reports: Minnesota Funding Reports (MFR).



MDE > Data Center > Data Reports and Analytics

Minnesota Funding Reports (MFR)

The Minnesota Department of Education (MDE) Program Finance area created the Minnesota Funding Reports (MFR) to provide state, district, school and program level funding information. An interactive search for MFR reports is available by school district, category, year and report. [Read the help document.](#)

Use the Drop Downs to identify the report of interest

Sort District list by: Name Number
List District Types: All Standard Co-Ops

District	CENTENNIAL PUBLIC SCHOOL DISTRICT (0012-01)	or enter up to 5 districts:	
View reports added in the last:	All Reports	(9999-99)	
Category	ALL		
Year	21-22		
Report	Compensatory Revenue Calculation		

List Reports Reset

District	Fiscal Year	Report Name	Category	Run Date
0012-01	FY 21-22	Compensatory Revenue Calculation	Aid Entitlement Reports	10/26/2020 9:10AM

Fiscal Year 2022 Compensatory Revenue Aid Entitlement Report

RUN DATE 10/26/20
 DISTRICT 0012-01
 CENTENNIAL PUBLIC SCHOOL DISTRICT

MINNESOTA DEPARTMENT OF EDUCATION
 COMPENSATORY REVENUE FY 2022

PAGE 1
 ALLOWANCE 5,728.00

GENEDD00120122

		A	B	C	D	E	F	G	H	I
		OCT 1, 2020 FALL ENROLL	2020 FREE LUNCH COUNT	2020 REDUCED LUNCH COUNT	B+ (.5xC) ADJUSTED COUNT	D/A CONC	E/.8 FACTOR	.6xDxF PUPIL UNITS	I/D REVENUE PER ADJ COUNT	Gx5728 REVENUE
DISTRICT SITE	DISTRICT/SITE NAME									
DISTRICT SITES										
0012-01	CENTENNIAL PUBLIC SCHOOL DISTRICT									
158	Pines School - ACS	18	6	0	6.00	0.3333	0.4166	1.50	1,432.00	8,592.00
159	Pines School - NSP	16	10	0	10.00	0.6250	0.7813	4.69	2,686.43	26,864.32
161	Pines School - RJC	16	9	0	9.00	0.5625	0.7031	3.80	2,418.49	21,766.40
162	PINES SCHOOL DAY PROGRAM	7	1	0	1.00	0.1429	0.1786	0.11	630.08	630.08
164	CENTENNIAL HIGH SCHOOL	2,009	139	49	163.50	0.0814	0.1018	9.99	349.99	57,222.72
166	CENTENNIAL MIDDLE	1,569	146	50	171.00	0.1090	0.1363	13.98	468.29	80,077.44
167	CENTENNIAL AREA LEARNING CENTER	51	13	3	14.50	0.2843	0.3554	3.09	1,220.66	17,699.52
170	CALC TRANSITION	23	0	0	0.00	0.0000	0.0000	0.00	0.00	0.00
171	PROJECT SEARCH	10	0	0	0.00	0.0000	0.0000	0.00	0.00	0.00
510	CENTENNIAL ELEMENTARY	528	104	20	114.00	0.2159	0.2699	18.46	927.53	105,738.88
511	CENTERVILLE ELEMENTARY	516	18	11	23.50	0.0455	0.0569	0.80	195.00	4,582.40
512	GOLDEN LAKE ELEMENTARY	395	63	14	70.00	0.1772	0.2215	9.30	761.01	53,270.40
513	RICE LAKE ELEMENTARY	624	25	13	31.50	0.0505	0.0631	1.19	216.39	6,816.32
514	EARLY CHILDHOOD CENTER	105	17	1	17.50	0.1667	0.2084	2.19	716.82	12,544.32
515	BLUE HERON ELEMENTARY	775	74	9	78.50	0.1013	0.1266	5.96	434.89	34,138.88
DISTRICT TOTAL		6,662	625	170	710.00					429,943.68

Compensatory Revenue Calculation

- Compensatory Revenue is calculated on the concentration of students identified as eligible for free or reduced-price meals compared to the number of students enrolled in the school on October [Minnesota Statutes, 1. section 126C.05](#), subdivision 3.
- Students eligible for free meals count as 1 and students eligible for reduced-price meals count as 0.5.
- The more students identified as eligible for free or reduced-price meals, the higher the concentration.
- The higher the concentration, the more revenue each eligible student generates, up to 80%.

Compensatory Revenue Examples of Concentration



Free and Reduced Price Lunch Concentration

Description	Four Scenarios			
	A	B	C	D
1 Prior Year's October Enrollment	100	100	100	100
2 Prior Year's Free Lunch Count	15	40	80	100
3 Prior Year's Reduced Price Lunch Count	10	20	0	0
4 Adjusted Lunch Count = (2) + [(3)/2] =	20	50	80	100
5 Concentration Ratio = (4) / (1) =	0.2000	0.5000	0.8000	1.0000
6 Factor = Lesser of 1 or (5) / 0.8 =	0.2500	0.6250	1.0000	1.0000
7 Compensatory Pupil Units = (4) * (6) * 60% =	3.00	18.75	48.00	60.00
8 Basic Formula Allowance (FY21)	\$6,567.00	\$6,567.00	\$6,567.00	\$6,567.00
9 Subtraction	\$839.00	\$839.00	\$839.00	\$839.00
10 Basic Formula Allowance Minus Subtraction = (8) - (9) =	\$5,728.00	\$5,728.00	\$5,728.00	\$5,728.00
11 Compensatory Revenue = (7) * (10) =	\$17,184.00	\$107,400.00	\$274,944.00	\$343,680.00
12 Revenue per Adjusted Count = (11) / (4) =	\$859.20	\$2,148.00	\$3,436.80	\$3,436.80

Questions?



Thank you!

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