



## **SCHOOL FINANCE MEMORANDUM 14-052**

### **State of Arizona Department of Education**

TO: Superintendents, District Business Managers, Charter Business Managers, Charter Holders, and Administrators

FROM: Lyle Friesen, Director of School Finance

DATE: June 3, 2014

SUBJECT: School Finance Updates

#### **SAIS Updates**

1) **FY 2011 915s**

Please note that all prior year student data corrections for FY 2011 must be completed by June 30, 2014. SAIS is unable to handle data submissions for FY 2011 data past this date.

2) **Charter School FY 2015 Estimated Counts Submissions**

A memo providing deadlines and instructions for submitting Estimated Counts will be distributed the week of June 9th. In addition to being emailed to charters, it will be posted to our FY 2014 Memos webpage at

<http://www.azed.gov/administrators/SF/NumberedMemos/FY2014/Forms/PublicView.aspx>.

If you do not receive the email by June 13 and would like to be added to future distribution lists, please contact [schoolfinance@azed.gov](mailto:schoolfinance@azed.gov). Be sure to include your name, title and email address.

Estimated counts are submitted by all charter schools, regardless of their sponsor, and represent an estimation of the "ADM" that the charter has projected will be generated based on students registered for FY 2015 (SY 2014-2015). When estimating, please do not submit all students as this is not a head count of the number of students registered, but instead is an estimation of ADM the registered students will generate. As a general rule of thumb, it is safer to estimate low rather than high. Overestimating will result in a reduction in payment amounts after reaching the 40<sup>th</sup> instructional day. Underestimating will result in increased payments after the 40<sup>th</sup> day.

3) **LEA Calendar Submissions**

A memo providing deadlines and instructions for submitting an FY 2014 calendar for your district/charter, as well as any applicable varying school calendars will be distributed the week of June 9.

In addition to being emailed to the superintendent and business manager on record (visit [www.ade.az.gov/edd](http://www.ade.az.gov/edd) for the contacts we have on record for you), the memo will be posted to our FY 2014 Memos webpage at

<http://www.azed.gov/administrators/SF/NumberedMemos/FY2014/Forms/PublicView.aspx>.

If you do not receive the email by June 13 and would like to be added to future distribution lists, please contact [schoolfinance@azed.gov](mailto:schoolfinance@azed.gov). Be sure to include your name, title and email address.

4) **FY2014 Monthly Processing Schedule**

Monthly processing through the remainder of FY2014 is listed below. Monthly aggregation is the processing that ADE performs on the student data to calculate ADM (Average Daily Membership), which is used as a basis for state aid funding. The student data must reside within SAIS to be included in the scheduled aggregation processing. This information is also available on our website under Hot Topics at <http://www.azed.gov/finance/2013/08/27/fy-2014-monthly-aggregation-processing-and-integrity-schedule/>

Data Submission Deadline	Monthly Processing Start Date	For Charter Payment
June 5, 2014 @ 5 pm	June 6, 2014	June 30, 2014

5) **FY 2014 Statewide Recalculation Schedule**

At the end of each fiscal year, ADE re-processes all Arizona district and charter school students through integrity and aggregation to calculate the final ADM for each LEA. The schedule for this year is below.

Type of School	Data Submission Deadline	Recalculation Start Date
Brick and Mortar (Non-online)	June 30, 2014 @ 5pm	July 16, 2014
Arizona Online Instruction (AOI)	July 15, 2014 @ 5pm	

6) **Year-End Status and Withdrawal Codes**

As the school year-end approaches, School Finance would like to remind you to submit year-end status and withdrawal codes for each of your students according to our data submission deadlines. There is one remaining scheduled aggregation processing date in this fiscal year (see the monthly processing schedule above). Please make sure all year-end data is submitted before June 30, 2014 to avoid prior year 15-915 data corrections.

The year-end statuses along with withdrawal codes are important pieces of data used primarily for Accountability, as they are components of the A-F letter grade calculations. For more information on the usage of these exit codes, please see the Accountability documentation at: <http://www.azed.gov/research-evaluation/a-f-accountability/>. The Technical Manual and the Accountability Workshop presentations can be found within the “Information for Technical Users” tab.

7) **Preschool FTE**

**We need your assistance in ensuring your preschool students are submitted correctly to SAIS.**

**ACTION REQUESTED:** Please ensure all preschool students residing within your district are submitted to SAIS with an FTE of 0.5 or zero (0). Please review all your preschool students in SAIS using the ADMS72, ADMS75-1 and ADMS75-3 reports to validate they have been entered to reflect the 0.5 or zero (0) FTE as appropriate.

The ADM generated currently, as has been in prior years, is derived in part by the FTE as submitted to SAIS. The 75 reports, as well as *all* of the 40 series reports this year, reflect this ADM. What this means is, if a preschool student’s FTE is 1.0 in SAIS, then the student will generate twice the amount of ADM (and therefore funding) than s/he should, as seen on the 75 and 40 series reports. To avoid this and future integrity errors, please ensure all preschool students’ FTE is no greater than 0.5 FTE in SAIS.

As defined in ARS 15-901(A)(1)(a)(i), a preschool student enrolled in a program for preschool children with disabilities of at least 360 minutes each week is considered one-half of a full-time student, or a 0.5 FTE. Minutes less than 360 each week qualifies as a 0 (zero) FTE. SAIS's integrity rules will be updated later this year and all FTEs greater than 0.5 for preschool students will fail integrity and will not generate ADM until corrected.

For further information, please refer to [HOT TOPICS](#) dated July 23, 2013.

8) **200 Day Calendar**

The deadline for submitting a letter requesting approval to operate on a 200 Day Calendar was June 1, 2014. Applications will no longer be accepted.

9) **FY 2015 District Sponsored and Operated Charter Schools**

[Laws 2014, 2<sup>nd</sup> Regular Session, Chapter 17 Section 1](#) amends A.R.S. §15-183 to prohibit school district governing boards from sponsoring or operating charter schools which begin initial operation after June 30, 2013. District sponsored charter schools (new or converted schools) which began operation after June 30, 2013, but before July 1, 2014 are allowed to continue operation through Fiscal Year 2014-2015 by amendments to Chapter 17 which are contained in [Laws 2014, 2<sup>nd</sup> Regular Session, Chapter 16, Section 1](#).

For district sponsored and operated charter schools in operation prior to July 1, 2013, beginning in Fiscal year 2014-2015, the average daily membership (ADM) is limited to 120% of the charter's Fiscal year 2013 ADM. ([Laws 2014, 2<sup>nd</sup> Regular Session, Chapter 16](#))

10) **Data Reports**

Remember to continuously reconcile SAIS data to lessen the likelihood of having to correct this year's data in a future year through a 15-915 prior year data correction request.

11) **FERPA Reminder**

In communication with School Finance, when referencing student, please use only the SAIS ID; do not include the student's name as name and SAIS ID together is considered personal information and that should not be shared via un-secure email. A student can be easily searched using just the SAIS ID by your Account Analyst.

### **Transportation Updates**

12) **Vehicle Inventory**

The deadline for reporting of final data and generation of new reports is **July 14, 2014**.

It's that time of year again when districts are required to submit final transportation data. This includes submitting the Vehicle Inventory data and generating the TRAN40-2 report as well as re-creating the TRAN55-1 report after both Vehicle Inventory and Transportation Routes data have been finalized. Generating the reports is the responsibility of the district and if they are not re-run to reflect the most recent data, it will cause unexpected results on the APOR55-1 and unexpected funding changes. Be sure to include all applicable vehicle miles through June 30. If they are not included, a negative impact to Transportation Support Level may be seen.

### **Payment Updates**

13) **Additional Assistance Reduction**

1. District Additional Assistance Reduction: The district additional assistance reduction has been finalized and the report is available under HOT TOPICS.

2. Charter and District Sponsored Charter Additional Assistance Final Reduction, based on the 100<sup>th</sup> day ADM, was included in the May payment for charters and DSCS districts. It can be found by the last page of CHAR64-1/APOR64-1 report. The worksheet is available under [HOT TOPICS](#).

14) **Capital Transportation Adjustment**

Pursuant to A.R.S 15-963, The Capital (Small School) Transportation Adjustment has been included in the April APOR 55-1 report, page 5 (Soft Capital Allocation Adjustment). A list of awards can be found on Hot Topics: <http://www.azed.gov/finance/category/hot-topics/>

15) **DAA growth adjustment**

Laws 2013, 1<sup>st</sup> Special Session, Chapter 3, Section 27 amended A.R.S. §15- 961 to blend Soft Capital and Capital Outlay Revenue Limit into District Additional Assistance. With the blending, limiting CORL Growth (now DAA Growth) to 50% was necessary to maintain the same level of funding. Currently, the APOR55-1 allows 100% of DAA Growth. A manual adjustment, reducing CORL Growth to 50% has been included for impacted districts on the APOR64-1 and the BUDG25.

16) **Type03 District Transportation for High School Students**

Laws 2013, 1<sup>st</sup> Special Session, Chapter 3, Section 26 amended A.R.S. §15- 951 to blend Soft Capital and Capital Outlay Revenue Limit into District Additional Assistance. With the blending, limiting the amount of DAA for Type 03 transported high school students to 50% was necessary to maintain the same level of funding. Currently, the APOR55-1 allows 100%. A manual adjustment, reducing DAA for transported students to 50% has been included for impacted districts on the APOR64-1 and the BUDG25.

### **Budget Updates**

- 17) **Superintendent's Annual Financial Report:** The FY 2012-2013 SAFR is available at <http://www.azed.gov/finance/reports/#SafrTop>
- 18) **Impact Aid Report:** School Finance no longer has access to a fax machine. Please email your Impact Aid reports to [SFBudgetTeam@azed.gov](mailto:SFBudgetTeam@azed.gov)
- 19) **District Sponsored Charter Additional Assistance Reduction:** Final reduction based on 100<sup>th</sup> day ADM has been included by May APOR64-1 report. The worksheet is available under SF HOT TOPICS.
- 20) **May BUDG25 Report:** The BUDG25 report is expecting to be available online by May 1, 2014.

### **General Updates**

21) **School Finance Hot Topics**

Keep informed of upcoming events, deadlines and system updates by bookmarking our Hot Topics webpage and checking it often. All updates published by School Finance can be found on this page (<http://www.azed.gov/finance/category/hot-topics/>). These same Hot Topics can also be found on our home page at <http://www.azed.gov/finance/>.

## 22) Updating Your Contact Information

Please make sure that your contact information is up-to-date. Any changes to entities should be sent to your [LEA Account Analyst](#). Changes related to individuals should be sent to [enterprise@azed.gov](mailto:enterprise@azed.gov). Charters must ensure changes are first approved through the Charter Board.

## 23) Business Rules and Presentations

Business Rules and Presentations web address has changed. The new address is listed in HOT TOPICS and is linked here as well.

<http://www.azed.gov/administrators/SF/BusRuleDocsAndPres/Forms/Business%20Rules%20vs%20Presentations.aspx>

## 24) Fax Machine

School Finance no longer has access to a fax machine. Please scan in your document and email it to us at [schoolfinance@azed.gov](mailto:schoolfinance@azed.gov).

## Questions?

If you have any questions regarding these updates, please do not hesitate to contact the following individuals relating to these areas:

- **General Updates:** Email [schoolfinance@azed.gov](mailto:schoolfinance@azed.gov)
- **SAIS/ADM, SDER, and Transportation:** A listing of account analysts for each school district and charter holder is available on the School Finance web site at <http://www.azed.gov/Administrators/SF/Lists/LEAAccountAnalysts/AllItems.aspx>
- **Payment:** Email the School Finance payment team at [SFpaymentteam@azed.gov](mailto:SFpaymentteam@azed.gov)
- **Budget:** Email the School Finance budget team at [SFBudgetTeam@azed.gov](mailto:SFBudgetTeam@azed.gov).
- **Other Areas within ADE:**
  - ❖ **Title I, Maintenance of Effort, Stephanie Washington**  
[Stephanie.Washington@azed.gov](mailto:Stephanie.Washington@azed.gov), Education Program Specialist  
Tel: (602) 542-7466
  - ❖ **ESS, Maintenance of Effort, [ESSFunding@azed.gov](mailto:ESSFunding@azed.gov)**, 602-542-3851
  - ❖ **ADE Support**, 602-542-7378 or 1-866-577-9636
  - ❖ **Grants Management** –Toll Free (844) 893-9789 or locally (602) 542-3901

Please let us know what we can do to better assist you. Send your suggestions to [SchoolFinance@azed.gov](mailto:SchoolFinance@azed.gov) and in the subject line type SUGGESTIONS.