



State of Arizona
Department of Education

SCHOOL FINANCE MEMORANDUM 15-014

TO: District Superintendents, District Managers,
Joint Technological Education District Business Managers and Superintendents

FROM: Lyle Friesen, Director of School Finance

DATE: September 1, 2014

SUBJECT: September 1, 2014 Basic calculations for Equalization Assistance Report (APOR 55-1)
and Equalization Assistance and Additional State Aid Detail Report (APOR 64-1)

Please be advised that the September 1, 2014 apportionment has been completed. The apportionment reports applicable to the FY2014 equalization payment for your school district are posted on your district's home page on the ADE web site (<http://www.ade.az.gov/districts/default.asp>). If you need help finding or viewing these reports please contact ADE/ IT Technology support team at 602-542-7378 or toll free at (866) 577-9636.

The following items have been included in September 1, 2014 APOR calculations:

- **K-3 Funding:** The funding has been released to eligible district/charter starting in the September 1st payment through equalization payment report (APOR55-1). To be eligible: must be either letter A or B district/charter **and** the 3rd grade far below reading level less than 10% .
- **Student Counts:** Student counts reflect the results of the FY2014 processing of student detail submitted by June 30, 2014 at 5 pm. If you have questions or concerns regarding the student counts, please contact your Account Analyst directly. The following link takes you to the account analysts list where you can find your account analyst contact information:
<https://www.azed.gov/Administrators/SF/Lists/LEAAccountAnalysts/AllItems.aspx>.
- **State Aid Rollover:** Pursuant to HB 2703 Sec 141., A-C, the Arizona State Board of Education shall defer, until July 1, 2015 but no later than July 12, 2015, \$930,727,700 of the basic state aid and additional state aid payment that otherwise would be apportioned to school districts during fiscal year 2014-2015. The FY15 rollover amount will be available in School Finance Hot Topic at the end of August. The rollover amounts have been included in the September 1 payment APOR64-1.
- **FY15 District Additional Assistance (DAA) Reduction:** Pursuant to SB 1488 Sec 13 and 14, the Arizona Department of Education shall reduce the basic state aid by \$238,985,500, in district additional assistance (DAA), that otherwise would be apportioned to school districts statewide for fiscal year 2014-2015. The FY15 DAA reduction amount for both state aid and budget capacity will be available in School Finance's Hot Topic <http://www.azed.gov/finance/category/hot-topics/> at the end of August. The DAA reduction amounts have been included in the September 1 payment APOR55-1 at page 5.



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- **New DAA page in APOR55-1 report:** the APOR 55-1 page 5 modification to combine soft capital and capital outlay revenue limit to district additional assistance has been updated for the September 1st payment.
- **District Sponsored Charter School ADMS:** These student counts are based on FY2015 estimated counts ADMS if data was successfully submitted by August 14, 2014 @ 4:30pm.
- **Transportation Support Level (TSL):** Route miles from FY2014 were reflected in the September 1, 2014 equalization calculation. Please check your comparative miles report (TRAN40-2) if your route miles do not match your route report. Please email your account analyst if you have any questions or concerns regarding this report.
- **Additional State-Aid (Secure Payment):** The FY2014 Additional State Aid amounts have been used in lieu of FY2015 amounts. These amounts will be updated once we receive the updated Additional State Aid figures for FY2015 from the Department of Revenue, which we expect to receive by the end of October 2014
- **Audit Expense Adjustment and Type 03 High School Tuition:** All adjustments have been included on your September 1, 2014 apportionment based on your submitted adopted budget as of July 15, 2014. The chart below outlines the locations in which reporting by the District may have been required:

Adjustment	Source	Location	Cell
Audit Expense	2015 Expenditure Budget	Page 2	O20
	2015 Budget Worksheet	Worksheet C	J49
	2013 Annual Financial Report	Page 8	O20
Type 03 Tuition	2015 Budget Worksheet	Worksheet E	K12
	2015 Budget Worksheet	Worksheet E	K20
	2015 Budget Worksheet	Worksheet G	J36

- **Assessed Valuations:** Tax Year 2014 values by district and county were used in the calculation of state aid in FY2015 for the August 1, 2014 apportionment. These values are provided by the AZ Department of Revenue.
- **SRP Voluntary Contributions:** SRP amounts are rolled over from FY2014; these amounts will be updated once we receive the updated FY2015 voluntary contribution figures from SRP, which we expect to receive by the end of October 2014.



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- **GPLET Value:** Tax Year 2014 values by district were used in the calculation of state aid in FY2015 for the August 1, 2014 apportionment). These values are provided by the Counties.
- **State Equalization Tax Rate:** The state equalization tax rate established pursuant to A.R.S. § 15-994 is in effect for FY2015, and was included in the APOR 59-1 and APOR 64-1 calculations beginning with the August 1, 2014 apportionment payment.

If you have any questions regarding the content of your APOR reports, please contact the Payment Team, via email at SFPaymentTeam@ade.az.gov