

ARIZONA DEPARTMENT OF EDUCATION

Tom Horne
Superintendent of
Public Instruction



School Finance
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STATE OF ARIZONA

SCHOOL FINANCE MEMORANDUM 09-077

To: County School Superintendents,
School District Business Managers

From: Yousef Awaad, Director, School Finance

Date: May 14, 2009

Subject: Reporting of District Over-Expenditures, Pursuant to A.R.S §15-107

Pursuant to A.R.S. §15-107(A), County School Superintendents must notify the Arizona Department of Education, within two business days, if in their opinion, a school district has committed an over-expenditure. This notification shall be made in the form of a written letter or memo addressed and sent to Superintendent Tom Horne, from the County School Superintendent, on county letterhead and shall include the following information at a minimum:

- The name of the school district
- The fund(s) (001, 610, 620, 625) and amount(s) of year to date actual expenditures
- The amount of encumbrances, if any, included in the determination of over-expenditure
- The amount of encumbrances, if any, not included in the determination of over-expenditure
- The budget adoption date and budgeted amount for each fund over-expended
- The unexpended budget balances in remaining funds (001, 610, 620, 625)
- Types and amounts of warrants being held (payroll, utilities, tuition, etc.)
- County contact information (e-mail and telephone number)

Please include any additional information which you believe will be useful. Please CC Yousef Awwad on the letter to Superintendent Tom Horne.

In response to notification by a County School Superintendent that a district is over-expended (or attempting), ADE, School Finance will review existing reports, including the current year APOR55-2 (Sudden Growth) and the current year BUDG25 (Budget Analysis) reports to determine if there are unbudgeted amounts, by which the district may increase its budget, at an upcoming governing board meeting. In addition, existing requests to correct prior year budgets and/or state aid pursuant to A.R.S. §15-915 will be thoroughly reviewed to determine their impact on the budget.

Please submit an electronic copy of the written letter or memo immediately via e-mail to the following e-mail addresses:

School Finance Inbox, schoolfinance@azed.gov

Yousef Awwad, Yousef.Awwad@azed.gov

Budget Team Inbox, SFBudgetTeam@azed.gov

Please call 602-542-5695, or e-mail schoolfinance@azed.gov with any questions.