



State of Arizona  
Department of Education

## SCHOOL FINANCE MEMORANDUM 11-075

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

FROM: Wendi Trudell, Interim Director of School Finance

DATE: June 23, 2011

SUBJECT: School Finance Updates

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### General Updates

**1) FY 2010 915 Processing**

The previously mentioned system enhancements regarding the generation of the SPED28-1 and ELLS28-1 reports have been completed. Any processing that was put on hold while waiting for these enhancements has resumed. We greatly appreciate your patience over the past few weeks.

**2) REMINDER : 915 Requests in FY 2012**

Per [A.R.S. § 15-915, Version 2](#), beginning July 1, 2011, data corrections may only be made to the prior year's data. For LEAs with outstanding data corrections for fiscal year 2010, downward ADM revisions to fiscal year 2009 or 2008 or budget revisions for fiscal years 2008 through 2010, requests for these corrections must be made in writing and postmarked no later than June 30, 2011. The [steps for requesting a 915](#) can be found on the School Finance website within the Frequently Asked Questions box.

**3) FY 2012 System Changes**

On page 2 of this memo is a summary of changes that will be implemented in Fiscal Year 2012. You can find additional information regarding these changes in the Business Rules on our Web site. These can be found by clicking on the [Business Rules and Presentations link](#) in the Business Rules/External Guidelines box on the School Finance Web page.

Number	FY 2012 Change	Change Description
1	<b>ADM Changes</b>	Revises the ADM calculation from the 40-day and 100-day methodology to using four census dates. <b>This is postponed to FY 2013.</b>  <b>Note:</b> The current 40 <sup>th</sup> and 100 <sup>th</sup> day ADM methodology remains in effect for FY 2012. All ADM-related data that was submitted in FY 2011 will continue to be submitted in FY 2012, unless otherwise stated in the FY 2012 business rules found on our Business Rules and Presentations site.
2	<b>LEA Calendar Application</b>	Requires LEAs to verify that their calendar meets the minimum instructional time requirements. LEAs have the option to enter the “Winter Break” designation for individual days.
3	<b>SDER</b>	Creates a new classified position for a non-certified Superintendent. Updates Ethnicity field to reflect the FY11 federal changes of ethnicity and race. Modifies the TEI calculation.
4	<b>AOI Integrity Checks</b>	Modifies Integrity to verify the grade of a student’s AOI enrollment against the approved grades for the AOI school and not the approved grades for the LEA (District or Charter Holder).
5	<b>Charter Estimated Counts</b>	Requires a Charter to identify if a student is AOI full-time or AOI part-time. Modifies upload file specifications to require a Charter to identify if a student is non-AOI, AOI full-time, or AOI part-time. Creates a “Charter School Estimated Enrollment Summary” report that displays non-AOI, full-time AOI, and part-time AOI counts for regular education students, SPED students, and ELL students.
6	<b>University and Community College Sponsored Charter Schools</b>	Modifies Enterprise and SAIS to identify and handle Charter Schools sponsored by public universities, community college districts, and groups of community college districts.
7	<b>Kindergarten Funding</b>	Allows an early Kindergarten student who generated funding during a fiscal year to generate funding during the following fiscal year. Funding is capped at a maximum of 0.5 ADM over both years.
8	<b>JTED Changes</b>	Excludes students in Grade 9 from the ADM calculation. JTEDs may use monies generated by their local five cent qualifying tax rate on Grade 9 students. Allows adult (over age 22) students to attend classes at a JTED main/central campus but excludes them from the ADM calculation. Allows a JTED student whose concurrent district enrollment’s DOA (District of Attendance) or DOR (District of Residence) is a member district of the JTED, to generate funding.
9	<b>DOR/DOA and SPED Reporting Changes</b>	Shifts the reporting responsibility to the PEA (Public Educational Agency) responsible for administering the student’s special education curriculum as well as capture the service provider. The DOR and DOA fields should be identical except in mandated tuition-out situations.

#### 4) 200 Day Calendar Requests

Per [A.R.S. § 15-902.04](#), beginning with FY 2012, districts or charter holders electing to provide 200 days of instruction must be approved by ADE prior to the beginning of the fiscal year. In order to be considered for the 200 days of instruction, three items are required to be completed: 1) submit a letter requesting approval of the 200 day calendar, 2) submit a 200 day calendar for each school within the district/charter holder, which includes the required ten percent increase in annual instructional hours, and 3) budget for the five percent increase in base level support.

### SAIS Updates

#### 5) UPDATED FY11 SAIS Schedule

The SAIS schedule for the remainder of fiscal year 2011 covers integrity, aggregation and the statewide recalculation processing dates as well as data submission deadlines. It is as follows and has been posted to the [IT Bulletin Board](#) and to School Finance's [Student Details Calendar](#):

Date	Scheduled Item(s)
June 20, 4 p.m.*	Integrity
June 30, 4 p.m.*	Last day for Charter and District FY 11 SAIS data submission for non-AOI (Arizona Online Instruction) schools.
July 1	Fiscal Year rollover, Integrity
July 15, 4 p.m.*	AOI Integrity only
July 29, 4 p.m.*	Last day for AOI schools' SAIS data submission
<b>August 15</b>	<b>FY 2011 Statewide Recalculation (Integrity and Aggregation)</b>

\* Transactions submitted prior to this time are included in the scheduled integrity and/or aggregation run.

Please note that the date the statewide recalculation will begin processing has been postponed until **August 15**. This has been done to allow time for the system enhancements identified in item 7 to be completed.

#### 6) May 31, 2011 Aggregation

Files that completed processing (either completed successfully or with errors), prior to May 31, 2011 at 4:00 p.m., were included in this round of aggregation. Integrity and aggregation processing began on May 31 at 4:00 p.m. and completed on June 10 at 2:00 p.m. At this time the Student Details funding reports (SdADMS75-1, SdADMS75-3, SdSPED75-1, SdSPED75-3, SdELL75-1 and SdSPED75-3) as well as the Student Counts reports (ADMS 40 series and ADMS540-1) are available.

#### 7) SAIS Data Updates

There are a few known issues that affect the May 31 aggregated data. The table on page 3 provides the current status of each. This information has also been published to the [IT Bulletin Board](#).

Item #	Aggregation Month	Known Issue	Outcome
1	May 31	<b>ELL ADM/Add-Ons</b> The ELL ADM/Add-Ons may be lower than expected.	Currently being analyzed by ADE's IT unit. Any required system enhancements will be implemented prior to the statewide recalculation.
2	May 6	<b>JTED Non-Fundable Enrollments</b> During the May 6th aggregation run, it was found that there were many JTED enrollments that erroneously appeared on the SdADMS76 report as being non-fundable.	The majority of the incorrectly identified non-fundable enrollments (or portions of enrollments) were fixed during the May 31 aggregation run. There are a few rare instances where an enrollment or portion of the enrollment is still incorrect. For those students whose data did not change between May 6 and May 31, they will still appear as non-fundable in the current reports as aggregation was not re-run on them. They will be re-run during the statewide recalculation. All data should be correct upon commencement of the statewide recalculation.
3	April	<b>Inaccurate Limited ADM for JTED Satellite</b> Member district enrollments concurrent with a JTED Satellite enrollment are being limited to 1.0 instead of 1.25.	Most cases of this have been resolved.  It is expected that the remaining instances where the limiting is not correct will be corrected upon commencement of the statewide recalculation.
4	April	<b>AOI ADM</b> ADM is higher than expected for some students who do not meet the annual required instructional time.	ADM is calculated incorrectly and continues to be higher than expected. This will be corrected in time for the statewide recalculation.  This causes the limited ADM of the affected students to be inaccurate.

### Payment Updates

**8) FY2011 Payment**

The last payment for FY2011 will be finalized on 6/30/2011. All other data corrections for FY2011 will be included on the statewide recalculation.

**9) FY2011 rollover payback in FY2012**

There will be two payments for the rollover payback. On 7/5/2011, payments will be appropriated for the following districts: a 100% rollover for small districts that have 125 ADM or less for elementary or 100 ADM or less for high school based on FY2010 ADM,

and a 100% rollover for all accommodation districts. All other districts (large and medium districts) will receive 100% of their September rollover and 50% of their November state aid rollover. On 8/26/2011, this will include for large/medium districts, the remaining 50% for November state aid rollover and 100% for November security payment rollover and 100% for March and April rollover. The total rollover payback payment will be \$952,627,700. No interest assigned per statute.

Please note that these amounts are a rollover from FY2011 to be paid within the 60 days encumbrance period for FY2011 and therefore are to be counted as revenue in FY2011 and not in FY2012. Accordingly, it is to be included as FY2011 revenue when setting up your tax rate for FY2012.

#### 10) Classroom Site Fund Payment schedule

There are two payments left for FY2011 CSF, they will be distributed by the end of June and the middle of July. The first CSF payment for FY2012 will be in the middle of August.

### **Budget Updates**

#### 11) “Answers to School Budget Questions” through AASBO on June 23, 2011

In collaboration with AASBO and the Office of the Auditor General, School Finance will be hosting a webinar on the most commonly asked questions regarding closing out FY2011 and budgeting for FY 2012. For those unable to participate on the 23<sup>rd</sup>, the recorded webinar will be available on AASBO’s website: <http://www.aasbo.org/>. A list of questions and answers covered during the webinar about both FY 2011 and FY 2012 school budgets and state funding provisions, including estimated budget cuts and state rollover payments, are available on the School Finance website at:

[http://www.ade.az.gov/schoolfinance/BulletinBoard/HotTopics/FY2012\\_Budget\\_Funding\\_FAQs.pdf](http://www.ade.az.gov/schoolfinance/BulletinBoard/HotTopics/FY2012_Budget_Funding_FAQs.pdf)

### **Questions?**

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

- **SAIS/ADM:** Your assigned account analyst. A listing of account analysts can be found on the School Finance website at <http://www.ade.az.gov/schoolfinance/> within the Contacts section.
- **Payment:** The School Finance payment team at [SFpaymentteam@azed.gov](mailto:SFpaymentteam@azed.gov)
- **Budget:** The School Finance budget team at [SFBudgetTeam@azed.gov](mailto:SFBudgetTeam@azed.gov) .