



State of Arizona
Department of Education

SCHOOL FINANCE MEMORANDUM 15-057

To: Business Managers, Superintendents, and Charter School Administrators
From: Lyle Friesen, Deputy Associate Superintendent, School Finance
Date: April 29, 2015
Subject: FY 2016 Legislative Impact

This memo summarizes the provisions of the adopted FY 2016 budget as passed by the Legislature and signed by Governor Ducey.

School Districts

1. Base Level Amount (BLA)

Base Level Amount (A.R.S.§15-901)	\$3,426.74
Prior Year Inflation ¹	\$ 54.31
Applicable Base Level Amount for FY2015-2016:	\$3,481.05

¹(Prior year inflation amount is a temporary amount included in the FY 2015-2016 BLA. BLA for FY 2016-2017 will be based on \$3,426.74.)

2. Increases to the BLA

Career Ladders and Optional Performance Incentive Program phase down is completed in FY2014-2015. No increases to the BLA for these programs are provided for FY2015-2016 and subsequent years. Increases for Teacher Compensation (1.25%) continue to be allowed by statute, subject to State Board of Education approval.

The 5% increase to the BLA for providing 200 days of instruction is also available; see School Finance Memo 15-049. <http://www.azed.gov/Administrators/SF/NumberedMemos/FY2015/15-049.pdf>

3. Increases the Transportation Support Level per-route mile amounts as follows:

Daily Route Factors	Per Route Mile Amount
0.50 or less daily route miles per eligible student transported	\$ 2.53
More than 0.50 and less than 1.00 daily route miles per eligible student transported	\$ 2.07
More than 1.000 daily route miles per eligible student transported	\$ 2.53

4. District Sponsored Charter School (DSCS) Incremental Funding 50% Adjustment

1. Calculate DAA per Student Count amounts based on sponsoring school district's FY2015 ADM plus FY2015 DSCS ADM, separately for K-8 and 9-12.
2a. Multiply DSCS Student Count for K-8 by the applicable result of Step 1 above.
2b. Multiply DSCS Student Count for 9-12 by the applicable results of Step 1 above plus DSCS Student Count for 9-12 x \$69.68 for textbooks.
3a. Multiply the DSCS K-8 Student Count by CAA Per Amount of \$1,734.92
3b. Multiply the DSCS 9-12 Student Count by CAA Per Amount of \$2,022.02
4. Subtract the sum of 2a and 2b from the sum of 3a and 3b.
5. Multiply the results of 4 by .5 (Reduce CAA by this amount)

5. District Additional Assistance Lump Sum Reductions - Estimated

The August 1 adjustment will be based on FY15 ADM and will be finalized after the statewide recalculation of FY15 data.

District Additional Assistance Lump Sum Reductions Factors	Estimated Reduction Percentage
Student counts less than 1,100	-29.30%
Student count greater than or equal to 1,100	-84.50%

6. District Sponsored Charter School CAA Lump Sum Reduction - Estimated

The August 1 adjustment will be based on estimated student counts submitted in time for the August 1 payment and will be finalized after all charters have reached 100th day.

	Reduction Percentage
CAA Lump Sum Reduction	-4.70%

Charter School (State and University Sponsored)

7. Base Level Amount (BLA)

Base Level Amount (A.R.S.§15-901)	\$3,426.74
Prior Year Inflation ¹	\$ 54.31
Applicable Base Level Amount for FY2015-2016:	\$3,481.05

¹ (Prior year inflation amount is a temporary amount included in the FY 2015-2016 BLA. BLA for FY 2016-2017 will be based on \$3,426.74.)

8. Small School Weights

Small School Weights for affiliated charters with student counts greater than 600 for kindergarten through eighth grade and/or grades nine through 12 are being phased out over a three year period. For FY2016, the amount generated by small school weights for FY2016 will be reduced by 33%, the FY2017 amount will be reduced by 67% and for FY2018 small school weights for affiliated charters with student counts (for K-8 or 9-12) will be eliminated. Please look for additional information to be sent via email and published on the School Finance webpage soon. A response will be required prior to July 1. Additional information will be provided soon.

9. Increase to the BLA

For the 5% increase to the BLA for providing 200 days of instruction, see School Finance Memo 15-049 <http://www.azed.gov/Administrators/SF/NumberedMemos/FY2015/15-049.pdf>

10. Charter Additional Assistance

Charter Additional Assistance Factors	Per Student Count
PSD, and K-8	\$1,734.92
9-12	\$2,022.02

11. CAA Lump Reduction - Estimated

The August 1 adjustment will be based on estimated student counts submitted in time for the August 1 payment and will be finalized after all charters have reached 100th day.

	Reduction Percentage
CAA Lump Sum Reduction	-4.70%