



AASBO Meeting Update

ADE School Finance

9/7/2022

Agenda

- FY 2022 Wrap-up
- FY 2023 Updates
- Aggregate Expenditure Limit
- Instructional Time Models
- Other Updates



ADE SCHOOL FINANCE



SECTION 1

FY 2022 Wrap-up

FY 2022 Statewide Recalculation

- Statewide recalculation was completed on 8/26/2022 and any adjustments will be applied to FY 2023 payments
 - Based on student data from 7/15/2022
- BSA55 reports are now available
 - Gifted add-on funding has been updated
 - Adjustments for remote instruction in excess of 50% have been applied

FY 2022 Average Daily Membership

Average Daily Membership - Regular, SPED, ELL

| | FY 2022 Final | FY 2021 Final | % Change Final FY 21 |
|--------------------|--------------------------|--------------------------|---------------------------------|
| Regular ADM | 1,098,634 | 1,080,217 | 1.7% |
| SPED ADM | 131,958 | 130,559 | 1.1% |
| ELL ADM | 76,008 | 70,444 | 7.9% |

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SECTION 2

FY 2023 Updates



FY 2023 Payment Schedule

- Monthly basic state aid payment dates change beginning in FY 2023 ([Laws 2021, Chapter 404](#))
- Payments will be made on the 15th business day of each month beginning in July
 - Previously the first business day of each month beginning in August
 - Data capture and payment dates have been [published on our website](#)

FY 2023 Payment Schedule

▼ FY 2023 AzEDS Data Capture Dates

Every month ADE uses student data submitted by LEAs to calculate Average Daily Membership (ADM). ADM is used as the basis for state aid funding. LEAs submit student data to AzEDS and ADM is calculated in the ADM Calculation Engine (ACE). The student data must reside within AzEDS on time to be included in the scheduled Integrity and ACE processing for each month's payment. The API for FY23 will open on 6/1/2022.

| <u>Data Capture Deadline, 5 p.m.</u> | <u>To be considered for:</u> |
|--------------------------------------|--|
| June 15, 2022* | Payment on July 22, 2022 |
| July 15, 2022* | Payment on August 19, 2022 |
| August 15, 2022 | Payment on September 22, 2022 |
| September 15, 2022 | Payment on October 24, 2022 |
| October 15, 2022 | Payment on November 22, 2022 |
| November 15, 2022 | Payment on December 21, 2022 |
| December 15, 2022 | Payment on January 23, 2023 |
| January 15, 2023 | Payment on February 22, 2023 |
| February 15, 2023 | Payment on March 21, 2023 |
| March 15, 2023 | Payment on April 21, 2023 |
| April 15, 2023 | Payment on May 19, 2023 |
| May 15, 2023 | Payment on June 21, 2023 |
| July 15, 2023 | <i>FY23 Statewide Recalculation</i> |

*For Districts, prior year data may be used.

*For Charters, Charter Estimated Counts may be used.



FY 2023 Payment Schedule

- Classroom Site Fund payments will continue to be made shortly after Basic State Aid payments each month
- Proposition 123 Additional Funding (\$75M) and Results-Based Funding will be paid in November and May
- Instructional Improvement Fund payments in January and June

FY 2023 Fiscal Operations Updates

- Base Level Amount increased to \$4,775.27 from \$4,390.65
 - 8.76% total increase
- 1.25% increase for teacher compensation (ARS 15-952) was repealed
- District Additional Assistance increased 11.4%
- Charter Additional Assistance increased 4.6%

FY 2023 Fiscal Operations Updates

- Transportation Support Level
 - State support per daily route mile increased 2.2%
 - Under 0.5 miles per eligible student: \$2.83
 - 0.5 to 1.0 miles per eligible student: \$2.32
 - More than 1.0 miles per eligible student: \$2.83
- State Equalization Assistance Property Tax Levy (SETR) was repealed
 - No impact on total funding, but the amount paid by the state increases

FY 2023 Fiscal Operations Updates

- Group B add-on weight for DD, ED, MIID, SLD, SLI, and OHI increased to 0.292 from 0.093
 - Developmental delays, emotional disabilities, mild intellectual disabilities, specific learning disabilities, speech/language impairment
- Increase of about \$950 per eligible student compared to last year based on the FY 2023 base level amount
- This weight was previously increased from 0.003

FRPL Group B Weight

- FRPL weight is 0.018, which is about \$86 per eligible student based on the FY 2023 base level amount
- Plan to fully implement in AzEDS and the payment system, but timeline is not yet known
- Worst case, the weight will be calculated manually for FY 2023
- The SUPP72 report in AzEDS shows students for which a qualifying need has been reported

Gifted Group B Weight

- Funding for the Group B weight for gifted students was calculated manually for FY 2022
- Funding appears as an adjustment to the base support level in BSA 55 Reports and the supporting calculation is available on the School Finance website
- ADE plans to implement the weight in AzEDS and the payment system, but the timeline is not yet known

Results-Based Funding

- FY 2023 award amounts will be based on FY 2021 assessment results and poverty measures
 - Updated student counts
- Based on percentage of students passing FY 2021 assessments
- Payments will be made in November and May

Results-Based Funding - RBFINC Report

- New student-level report in AzEDS details the calculation of % eligible for free or reduced-price lunch
- RBFINC report can be accessed from the October 1 menu

School Name: Queen Creek Elementary School
School ID: 5138

| Fiscal Year | Demographics | | | | Enrollment | | Is Oct1 State Fundable | Is Oct1 Income Eligible |
|-------------|------------------|-----------|------------|-------------|-----------------------|---------------------|------------------------|-------------------------|
| | State Student ID | Last Name | First Name | Middle Name | Enrollment Start Date | Enrollment End Date | | |

Reports

- Student Detail
- Accountability
- English Learner
- Special Education
- Student-Teacher-Course Connection
- Support Program
- ADM
- Calendar
- OCT1**
 - OCT1 – October 1 Enrollment Report
 - RBFINC – October 1 Result Based Funding Income Eligibility Report**



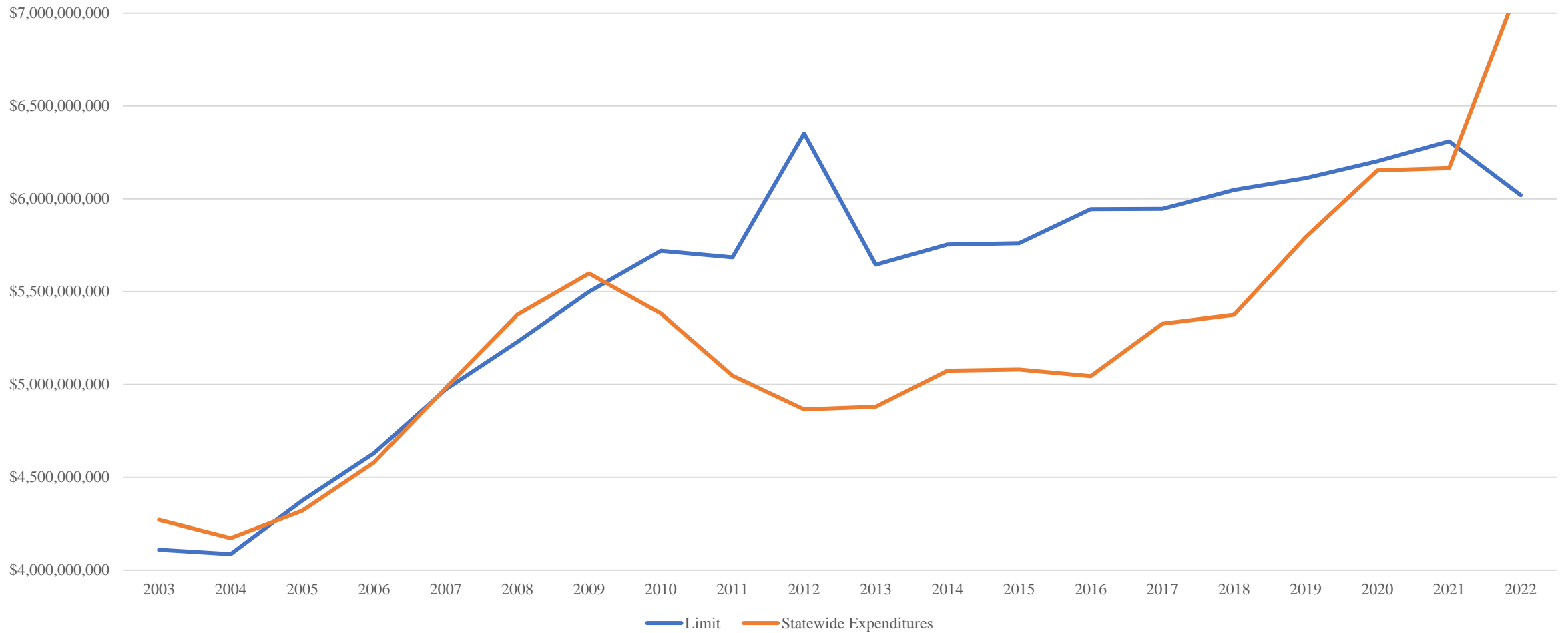
SECTION 1

Aggregate Expenditure Limit

Aggregate Expenditure Limit

- [Article 9, Section 21](#) of the Arizona Constitution defines the expenditure limitation for school districts
- The Economic Estimates Commission calculates the [limit](#)
- School Finance calculates statewide expenditures subject to the limit
- If budgeted expenditures exceed the limit, legislature may approve or school districts are required to reduce budgets

Aggregate Expenditure Limit



School Finance Calculation

- BUDG-AGD reports extract certain values from budget files submitted by school districts based on the definition of expenditures subject to the limit
- Expenditures in most school district funds are excluded
- Several specific items within otherwise included funds are also excluded
- Adjustments are made for items that are not possible to separate from district budgets
- Individual district numbers roll up to the statewide calculation

FY 2023 Aggregate Expenditure Limit

- \$1.15 billion over the limit in FY 2022
- Limit increased by \$382 million to \$6.4 billion
- ARS [15-911](#) requires an annual report by 11/1 on aggregate expenditures of local revenue
- BUDG-AGD reports showing the FY 2023 calculation for each district will be available by 11/1



SECTION 1

Instructional Time Models

ITM Updates for FY 2022-2023

- Updated Submission Template
 - ADE is making minor improvements to the submission template, but it will largely look the same on the LEA side
- Continuing an Existing ITM
 - No requirement to readopt an existing ITM, however ADE will ask for a simplified template submission to identify continuing a SY 2021-2022 ITM into SY 2022-2023
- Revising an Existing ITM
 - Should go through the same internal process as adopting a new ITM
 - Potentially adding a checkbox to identify a submission intending to replace an existing ITM
- FY 2022: Reporting to SBE/ASBCS this month on excess Remote Instruction
 - Final remote instruction calculations were based on July 15th data



SECTION 1

Other Updates

Other Updates

- Vehicle Inventory Report
 - Deadline to submit was 7/15, but please contact School Finance if technical issues affected submission
 - Payment system will not generate Transportation Support Level if the vehicle inventory report has not been submitted
 - Payment system will cap route miles based on vehicle inventory report data

Other Updates

- School District Employee Report
 - September 15th
 - SDER system opens to accept submissions.
 - October 15th
 - SDER system closes to new submissions and revisions.
 - Preliminary Teacher Experience Index (TEI) is calculated.
 - Revisions are possible February 1st – March 1st
- SDER Manual and Training Video
 - <https://www.azed.gov/finance/instruction-manuals>
 - <https://www.azed.gov/finance/training-videos>



Thank You

Charlie Martin, Deputy Associate Superintendent
Charlie.Martin@AZED.gov
(602) 542-8026