



State of Arizona
Department of Education

SCHOOL FINANCE MEMORANDUM 17-015

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

FROM: Lyle Friesen, Deputy Associate Superintendent of School Finance

DATE: September 1, 2016

SUBJECT: September 1, 2016 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, 2016 apportionment has been completed. The apportionment reports applicable to the FY2017 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, 2016 APOR calculations:

- **K-3 Funding:** The funding was released to eligible districts/charters starting with the August 1st payment through the equalization payment report (APOR55-1). To be eligible: must be either letter A or B district **and** the 3rd grade far below reading level is less than 10%.
- **Student Counts:** For the majority of Districts, student counts reflect the results of the FY2016 processing of ADM and SPED student detail submitted by June 30, 2016 at 5 pm. For those districts that experienced a significant drop of ADM and/or SPED in FY2016, FY2015 ADM and SPED were used. 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 Laws 2016, Chapter 124, Section 14, the Arizona Department of Education shall defer, until July 1, 2017 but no later than July 12, 2017, \$930,727,700 of the basic state aid and additional state aid payment that otherwise would be apportioned to school districts during fiscal year 2016-2017. The FY17 rollover amounts are included in the September 1 payment APOR64-1.
- **Transportation Support Level (TSL):** Route miles from FY2016 were reflected in the August 1, 2016 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.



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- **Additional State-Aid:** The FY2016 Additional State Aid amounts have been used in lieu of FY2017 amounts. These amounts will be updated once we receive the updated Additional State Aid figures for FY2017 from the Department of Revenue, which we expect to receive by October 2016.
- **Audit Expense Adjustment and Type 03 High School Tuition:** All adjustments have been included on your September 1, 2016 apportionment based on your submitted adopted budget as of July 30, 2016. The chart below outlines the locations in which reporting by the District may have been required:

Adjustment	Source	Location	Cell
Audit Expense	2017 Expenditure Budget	Page 2	O8
	2017 Budget Worksheet	Worksheet C	J47
	2015 Annual Financial Report	Page 8	O20
Type 03 Tuition	2017 Budget Worksheet	Worksheet E	K12
	2017 Budget Worksheet	Worksheet E	K20
	2017 Budget Worksheet	Worksheet G	J36

- **Assessed Valuations:** Tax Year 2016 values by district and county were used in the calculation of state aid in FY2017 beginning with the August 1, 2016 apportionment. These values are provided by the AZ Department of Revenue.
- **SRP Voluntary Contributions:** SRP amounts are rolled over from Tax Year 2015; these amounts will be updated once we receive the Tax Year 2016 voluntary contribution figures from SRP, which we expect to receive by the end of October 2016.
- **GPLET Value:** Tax Year 2015 values by district were used in the calculation of state aid in FY2017 for the September 1, 2016 apportionment. These values will be updated when the Tax Year 2016 values are provided by the Counties. We expect these to be included in October 1, 2016 apportionment.
- **County Equalization Tax Rate:** The county equalization tax rate established pursuant to A.R.S. § 15-994 is in effect for FY2017, and was included in the APOR 59-1 and APOR 64-1 calculations beginning with the August 1, 2016 apportionment payment.
- **District Additional Assistance Reductions:** The preliminary DAA reductions have been included and are shown on page 5 of the APOR 55-1. A list may be found under SF hot topics here: <http://www.azed.gov/finance/2016/08/25/fy-2017-district-additional-assistance-reductions/>

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