



State of Arizona
Department of Education

SCHOOL FINANCE MEMORANDUM 19-015

TO: Charter School Administrators, Directors, and Principals

FROM: Lyle Friesen, Deputy Associate Superintendent of School Finance

DATE: September 1, 2018

SUBJECT: 9/1/2018 Basic Calculation for Equalization Assistance Report (CHAR 55-1) and Equalization Assistance Detail Report (CHAR 64-1)

The September 1, 2018 charter apportionment is complete. The CHAR55-1 and the CHAR64-1 equalization assistance reports for charters are posted on each charter school's home page of the Arizona Department of Education (ADE) School Finance website at <http://www.azed.gov/districts>. If assistance is required for finding or viewing these reports, please contact the ADE IT Technology Support team at (602) 542-7378 or toll free at (866) 577-9636.

All eligible charters were paid based on their estimated counts submitted on August 14, 2018 by 4:30 p.m. There are over 20 Districts and Charters being paid on FY2019 AzEDS results as of August 22, 2018. **It is our expectation that FY2019 AzEDS results will be used in the calculation of your Base Support Level for all LEAs, beginning with the October 1, 2018 payment.** The Charter School Student Enrollment Summary report is available for download and review from the School Finance website. If the charter has any concerns or questions regarding the Enrollment Summary report, please contact the assigned account analyst for the charter at: SFAAnalystTeam@azed.gov

Important Notes:

- **CAA Reduction:** Preliminary Charter Additional Assistance reduction, \$13,628,800, per House Bill 2663, was included by August 1st payment. (CHAR64-1 report)
- **SSW Adjustment:** Preliminary Small School Weight adjustment was included in the August 1st payment. (CHAR64-1 report)
- **K-3 Reading:** Per A.R.S 15-211, Each school district and charter school shall annually submit to the department of education on or before October 1 an updated K-3 reading program plan that includes data on program expenditures and results, except that beginning in fiscal year 2016-2017, a school district or charter school that is assigned a letter grade of A or B pursuant to section 15-241 shall submit this plan only in odd-numbered years. Funds will be released once School Finance is notified of A/B status or approved plan from Move on When Reading. Questions regarding the timing of release should be directed to Move on When Reading.



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- **FY2018 Statewide Recalculation:** *The Fiscal Year 2018 Statewide Equalization Recalculation has been completed. The positive adjustments were included in the September 1st payment as lump sum adjustments through the CHAR 64-1 report and negative adjustments will be included in the October 1st payment and will be taken over the entire fiscal year, 3/12ths taken in October and 1/12th each payment thereafter. A complete list of adjustments can be found here, in the Hot Topic posted about the FY2018 Statewide Recalculation: <http://www.azed.gov/finance/2018/08/16/2018-statewide-recalculation-complete/>*
- **Audit Expense Adjustment:** *All adjustments have been included on your September 1, 2018 apportionment based on your submitted adopted budget as of July 30, 2018. The chart below outlines the locations in which reporting by the Charter may have been required:*

Group	Budget Type Description	Page	Cell Reference
Audit Expense	FY2019 Charter Expenditure Budget	2	N26
Audit Expense	FY2019 Charter Budget Worksheets	Worksheet C	F15
Audit Expense	FY2017 Charter Annual Financial Report	7	G9

For any questions regarding September 1, 2018 charter equalization calculation, please email SFPaymentTeam@azed.gov. Please contact your Account Analyst if you have any questions about your estimated counts or other required student information at: SFAlystTeam@azed.gov