



State of Arizona
Department of Education

SCHOOL FINANCE MEMORANDUM 19-052

TO: Superintendents, Business Managers, Administrators, and Head Teachers
FROM: Lyle Friesen, Deputy Associate Superintendent of School Finance
DATE: July 11, 2019
SUBJECT: Instructional Improvement Fund

Pursuant to A.R.S 15 - 979, the Department of Education shall pay the monies in the Instructional Improvement Fund (Indian Gaming revenues) to school districts and charter schools.

The calculation for the Second payment of FY 2019 is complete. This payment is based on actual IIF revenues received in the 3rd and 4th quarter of FY 2019 (\$21,866,773.27). Actual receipt of payment by districts and charters is scheduled for Thursday, July 11, 2019.

Note*
Because we waited until much later in the fiscal year than we normally do for the first Instructional Improvement Fund payment, there is more revenue than usual. This resulted in much larger payments to LEAs. This will also make the second payment of the fiscal year that much smaller since the "halves" of the year covered are so disproportionate. It will level out over the fiscal year, but with payment 1 being much larger than payment 2 instead of them being closer to equal.

Please view the county reports, which will show the district portions, at <http://www.azed.gov/SchoolFinanceReports/Reports?reportType=county> or a detailed state-wide FY 2019 IIF Payment 2 Report at www.azed.gov/SchoolFinanceReports/

All monies received for the Instructional Improvement Fund to date have been distributed based on each district's or charter's unweighted attending student count.

Pursuant to A.R.S. §15-979 (D) & (E), these funds may be expended as follows:

- D. Each school district and charter school may utilize up to fifty percent of the amount of monies determined pursuant to subsection C for teacher compensation increases and class size reduction as provided in section 15-977.
- E. Monies that are not utilized as provided in subsection D shall be utilized for the following maintenance and operation purposes:
 - 1. Dropout prevention programs.
 - 2. Instructional improvement programs including programs to develop minimum reading skills for students by the end of third grade.

If you have questions concerning your calculated payment, please contact the School Finance Payment Team via email at SFPaymentTeam@azed.gov or by phone at (602)542-5695.

1535 West Jefferson Street, Bin 13, Phoenix, Arizona 85007 • schoolfinance@azed.gov