



State of Arizona
Department of Education

SCHOOL FINANCE MEMORANDUM 21-043

To: Charter Business Managers, Charter Holders, and Charter School Administrators

From: Charlie Martin, Deputy Associate Superintendent, School Finance

Date: May 1, 2021

Subject: A.R.S. § 15-185(D) Reduction of Equalization Assistance for Charter Schools Receiving Federal and State Monies Intended for Maintenance and Operations of the School for FY 2022

[A.R.S. § 15-185\(D\)](#) requires the reduction of the base support level and equalization assistance by the amount of federal and state monies received by a charter school that are intended for the basic maintenance and operations of the school.

Monies intended for basic maintenance and operations (M&O) are those intended to support the educational program of the school. They do **not** include supplemental federal and state grants for specific purposes, such as ESEA Title I, IDEA Part B, and federal food program reimbursements. In addition, by statute, they do not include Federal Impact Aid (Title 8, P.L. 103-382) monies. The Auditor General will make the final determination of what monies are considered to be intended for basic maintenance and operations.

To assist the Arizona Department of Education (ADE) and the Auditor General in identifying the types of monies applicable to this reduction, charter holders **who have monies to report** must complete the form on page 2. **An electronic copy of the form, including signature, must be sent by email to SFBudgetTeam@azed.gov on or before 4:30 p.m. on July 2, 2021.** Charter holders with no monies to report **should not complete or return the form.**

Charter schools receiving Indian School Equalization Program (ISEP) funds must report data used in the calculation of state aid separately for the ISEP students and the non-ISEP students. This allows ADE to accurately apply A.R.S. § 15-185(D) only to the state aid generated by the ISEP-funded students. Students that are non-ISEP will generate monthly state aid for the charter because these students are not funded by the federal Indian School Equalization Program. ISEP students will not generate state aid.

Your cooperation is greatly appreciated. Any questions regarding this form or this process may be directed to Help Desk or call 602-542-5695.



Federal & State Maintenance & Operations Declaration Form Fiscal Year 2022

Charter holders **who have monies to report** must complete one form per charter holder. Multiple forms are not required for each school site listed under the charter holder. **If you do not have federal or state maintenance and operations funds, please do not complete the form and do not submit it to ADE.**

An electronic copy of the form, including signature, must be sent by email to SFBudgetTeam@azed.gov on or before 4:30 p.m. on July 2, 2021.

Charter Holder Entity Name: _____
CTDS # (Example: **012345000**) _____

Describe below any monies, other than state equalization assistance, received or expected to be received for the basic maintenance and operations of the school in Fiscal Year 2022. (Do **NOT** list supplemental monies intended for a specific purpose, such as IDEA, NSLP)

Fiscal Year 2022 Maintenance and Operations Monies (Excluding State Equalization)			
Funding Source	Granting Agency	Dollar Amount	Description

Administrator's Name (Print): _____ Phone #: _____

Administrator's Signature: _____
 (original signature required)