

Managing Student Level Funding Data

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Public school districts in Arizona are primarily funded based on student enrollment. There are key concepts that drive the foundation of certain funding formulas. Once the concepts are understood, then it is important to know how to monitor school district underlying student enrollment data within these formulas to anticipate shifts in budget capacity and funding.

Current Year and Prior Year Funding

In FY16-17 public schools shifted from a prior year enrollment funding model to a current year funding model. However, not all funding is based on current year enrollment. The Revenue Control Limit (RCL) is based on current year weighted enrollment multiplied by the base support level approved by the legislature each year. Other funding formulas such as District Additional Assistance (DAA), Classroom Site Fund, Instructional Improvement, and override calculations are all based on prior year enrollment.

Because a school district's budget is heavily dependent upon enrollment data, ensuring that current year enrollment is accurate and reconciled to district student enrollment records is essential to managing a school district budget. School district financial officials need to understand where the data is collected from, how the data is used, and how to monitor the accuracy of the data.

How Data is Collected

A school district collects student enrollment information through its Student Information System (SIS). Arizona school districts are required to upload their SIS data to the Arizona Department of Education (ADE) through the AzEDS portal at least every 20 days. Many school districts sync their student information systems files nightly with ADE. This means if the data in the individual school district SIS is inaccurate or incomplete, the school district budget could be inaccurate or incomplete.

How Data is Used

When the data is synced with ADE, the enrollment data is tested against the integrity rules aligning with Arizona Revised Statutes and ADE business rules. Data not passing integrity rules

will identify which students are not passing these rules which can impact the budget capacity and state aid apportionments. State aid payments are calculated monthly based on data captured on the 15th of each month for payments to be issued by the fifteenth business day of each month (typically around the 20th-22nd of each month). Approximately 8.33% of the calculated equalization is paid each month with the total amount being readjusted each month based on any enrollment changes captured by the capture date. This can result in either an increase or decrease in the budget limit each month.

How to Validate Data Accuracy

In many school districts, the staff who manage the day-to-day enrollment data are typically responsible for reconciling the district SIS data to the reported data in AzEDS. However, in addition to these teams of staff involvement in the process, school finance officials need to have a working understanding of key enrollment reports to assist in the management of budget fluctuations.

ADE publishes certain reports monthly on the public-facing website. However, these reports and other more detailed reports are available to school district officials through the AzEDS portal and are often updated nightly. AzEDS reports include student level detail to include English language learner, special education, support programs and fundable ADM details. Understanding these reports and what data is included can assist a school finance official in monitoring its budget and any adjustments that need to be made to its expenditure plan as enrollment shifts.

Here is a brief summary of a few key ADM reports that school business officials should monitor regularly:

- ADMS 15 – The ADMS15 report identifies the Average Daily Membership (ADM) which is the calculated value for each fundable interval that student membership generates within the first 100 days of the school year (or 200 days if applicable) for funding purposes. Students can generate additional ADM for various programs such as CTED, special education needs, free and reduced lunch qualification, and other categories for additional funding. Key components of the ADMS 15 report include the regular ADM generated for basic state aid, SPED (needs as outlined in a student’s IEP), ELL (English Language Learners in an ELL? program), FRLP (Free and Reduced Lunch determined by Income Eligibility needs and/or alternative methods) and Gifted (students who are reported with a Gifted need and program).
- ADMS 20 – The ADMS20 report aggregates the individual student level data in the ADMS15 report to determine the projected 100-day average daily membership the school district will use for budget calculations and ADE will use for state aid payments monthly.
- BSA55 – The BSA55 report is the monthly appropriation report that ADE generates and summarizes all variables used to determine the state equalization formula for both the RCL and DAA.
- Integrity Reports – The integrity reports will tell the school finance official which students are failing the integrity rules and are not being funded. This report is critical to monitor and correct any errors to ensure the student generates the appropriate budget capacity and state aid funding.

Understanding how to read these reports and the impact they have on a school districts budget is integral in managing the school district budget capacity. This data can be used to gather historical enrollment trends to be used with community population models to project future budget limits.

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