

ARIZONA DEPARTMENT OF EDUCATION

Lisa Graham Keegan
Superintendent of
Public Instruction



STATE OF ARIZONA

School Finance
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SCHOOL FINANCE MEMORANDUM 99-22

TO: School District Administrators

FROM: Lyle Friesen, Director of School Finance

DATE: September 27, 1999

SUBJECT: FY 1998-99 SAIS BUDG25, A.R.S. §15-905(E) Adopted Budget analysis notification

Enclosed is the Expenditure Budget Report for Fiscal Year 1998-99 (SAIS BUDG25, previously known as the BUDG25 and the Comparison Report). It is the first component of the Student Accountability Information System (SAIS) to become functional. The new format includes the General Budget Limit (GBL) and the Total Capital Budget Limit (TCBL) testing in the same report. In the future, this report will be available via the Internet within a day of your submission (via the Internet). Also enclosed is a description of limits calculated by ADE on the SAIS BUDG25.

In accordance with ARS §15-905.E., the Arizona Department of Education (ADE) has completed a review of your FY 1998-99 adopted budget. The amounts indicated on the enclosed report reflect the district's most recent budget received by ADE. Please review the report to determine if a budget revision is necessary.

Multiple differences may be indicated for a single deficiency. Although the differences appear repetitious, they are indicating the deficiency may be affecting other lines (subtotals, etc.) or pages in the budget that require revision.

Please be sure to verify the comparison of the budgeted M & O expenditures to the General Budget Limit for M & O and the comparison of the adopted to the proposed budget limits.

Per ARS §15-905.E, if the budget is over the general budget limit or total capital budget limit by **less than \$1,000**, the budget and expenditures shall be adjusted to not exceed the budget limits. Although not required, a budget form correcting these deficiencies is requested by December 15, 1998.

ARS §15-905.E. further states that if the budget is over the general budget limit (Budget Limit Summary section, page 4 of 5 of the SAIS BUDG25) or total capital budget limit (SAIS BUDG25, page 5 of 5) by more than \$1,000, the Governing Board must adopt a revised budget on or before December 15, 1998, which shall not exceed the budget limits. Notice shall be given and a public meeting held as described in ARS §15-905.C and D. Although the budget does not have to be published, publication of a notice in a newspaper of general circulation within the district is required 10 days prior to the budget revision public meeting. Revised or corrected budgets must be transmitted to the County School

Superintendent no later than December 18, 1997. (Districts participating in the Accounting Responsibility Program, pursuant to A.R.S. §15-914.01 are not required to submit a copy to the County School Superintendent, but to the Superintendent of Public Instruction [ADE, School Finance].)

The law does not provide for any exceptions to the \$1,000 limit. The district must adopt a revised budget on or before December 15, 1998, even if the district is anticipating additional budget capacity for sudden growth in the student count.

A complete budget is required for any budget revision. Please verify the subtotals and totals affected by any revisions for accuracy and **highlight the revised lines**. A zero must be inserted when line items are moved or deleted. If a zero is not recorded when an amount is moved or deleted, ADE's computer system retains the field, which can result in erroneous financial data for your district. An electronic version of the revised budget may be submitted via e-mail (schoolfinance@mail1.ade.state.az.us) or to the ADE website (<http://www.ade.state.az.us/SchoolFinance/Districts/Home.asp>), in addition to the required signed, paper version of the revised budget. An electronic version of the budget will allow for a quicker, more accurate analysis of the revision.

Please contact George Chlupsa at (602)-542-8241 (e-mail:gchlups@mail1.ade.state.az.us) or myself at (602)-542-4351 (e-mail:lfriese@mail1.ade.state.az.us) with questions regarding your budget.

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