



State of Arizona Department of Education



Date: May 2, 2019
To: Public Education Agency Special Education Administrators
From: Exceptional Student Services - Operations
Subject: Allocation Adjustments Required Stemming from New/Expanding Charters

Exceptional Student Services (ESS) has finished final adjustments for new and expanding charters in Arizona for the Individuals with Disabilities Education Act (IDEA) Entitlement allocations. When adjusting for these entities, the department is required to reconcile the public education agencies' (PEAs) allocations using final data submitted by them in the current school year. When these final adjustments happen, it affects all PEAs' allocations across the state to adjust proportionally to compensate.

The IDEA funding allocation consists of three parts, which are the base, population, and poverty. The base contains adjustments for new and expanding charters on a per-student basis for students on an IEP over October 1 relative to any entity it affects the first year that charter has counted students receiving services. Adjustments for the base do not affect all PEAs in the state. Allocations for population and poverty are proportionate to all PEAs in the state, representative of their counts of enrolled students aged 3 – 21. When adjustments for population and poverty are required for new and expanding charters, adjustments are required to squeeze the new/expanding charters into the total allocation pool as it already existed. Squeezing in a larger proportion of students means adjusting every other PEA appropriately to compensate.

Next year, ESS will be utilizing a method so that population and poverty adjustments will not affect all PEAs' allocations under this part of the funding formula. Base adjustments will always affect any entities as part of that process, but on an individual student basis at the time the new charter opens. All allocation adjustments should have finished at this time, except for those PEAs that have already requested all the funds available to date in their funding applications.

If there are any questions, please contact essprogmgmt@azed.gov.