



USFR MEMORANDUM NO. 175

TO: School District Administrators; County School Superintendents

FROM: Magdalene D. Haggerty, Office of the Auditor General
Rita Sauv, Arizona Department of Education (ADE)

DATE: January 12, 2001

SUBJECT: Average Daily Membership for Kindergarten and First Grade

On September 15, 2000, the Arizona Attorney General issued Opinion I00-023 regarding the practice of enrolling children in early (pre-) kindergarten or early first-grade programs and including those children as kindergarten and first-grade students, respectively, in the Average Daily Membership (ADM) data submitted to ADE. The Attorney General's opinion clarified that only programs that are designed, based on state standards and district curriculum, to advance a child to the first grade are considered kindergarten programs for the purpose of calculating ADM as provided in Arizona Revised Statutes (A.R.S.) §15-901(A)(2)(a)(i). Likewise, the opinion clarified that only programs that are designed, based on state standards and district curriculum, to advance a child to the second grade are considered first-grade programs for the purpose of calculating ADM as described in A.R.S. §15-901(A)(2)(b)(i).

On October 20, 2000, ADE notified all districts of the Attorney General's opinion and the need for ADM corrections. This memorandum provides further guidance for districts in determining whether a program qualifies for membership reporting, and further instructions for submitting the corrected 40th- and 100th-day ADM data, as applicable, for fiscal year (FY) 1999-2000 and 2000-01 for districts that misreported kindergarten and first-grade ADM. Districts are not required to correct ADM for years prior to FY 1999-2000 at this time. All future ADM submissions must conform to the guidance provided in the Attorney General's opinion and this memorandum.

Only districts with misreported kindergarten and/or first-grade ADM must submit new ADM data. However, **all districts must complete the enclosed form** and submit it to ADE by February 15, 2001, indicating whether ADM corrections are needed. If the district misreported kindergarten and/or first-grade ADM, it must submit the corrected data to ADE **by February 15, 2001**, to allow corrected numbers to be included in the FY 2000-01 APOR55-1 report (RCL, SCA, and CORL) for subsequent apportionment of state aid and the May 15, 2001, budget revisions. For information on uploading original and revised ADM data, refer to the Instructions for Required Reports (www.ade.az.gov/schoolfinance/main/Support). Please note that submissions of FY 1999-2000 ADM will show a file status of "held for review" until ADE reviews them. Submissions of FY 2000-01 ADM will be updated as usual. Questions on submitting ADM data should be directed to Julie Vasquez, ADE School Finance, at (602) 542-8239 or jvasquez@ade.az.gov. **(These corrections will impact funding and budget limits for FY 2000-01 and subsequent years. Prior years will not be affected.)**

Once ADM corrections have been submitted and are accurately reflected in the FY 2000-01 APOR55-1, districts may request an updated BUDG25 report from ADE. Questions on budget revisions should be directed to Dick Feight at (602) 542-8248 (rfeight@ade.az.gov) or Barb Huttlinger at (602) 542-8241 (bhuttin@ade.az.gov).

The USFR compliance questionnaire to be completed by the district's auditor for the year ending June 30, 2001, will be revised to include questions on kindergarten and first-grade ADM calculations. This revised questionnaire will be issued in a future USFR Memorandum.

MDH/RS/re
Enclosures

Frequently Asked Questions on Early (Pre-) Kindergarten and Early First-Grade Average Daily Membership (ADM) Calculation

Q1: Can a district change its early kindergarten or early first-grade curriculum to a kindergarten or first-grade curriculum mid-year and report those students for that academic year as kindergarten and first-grade students, respectively?

A1: If the district started the year with an early kindergarten curriculum, the early kindergarten students are not eligible for membership reporting, regardless of whether the district switches to a kindergarten curriculum mid-year. By definition, ADM is calculated from the first day of school through the 100th or 200th day, as applicable, in session. If the district started the year with an early first-grade curriculum, the early first-grade students are not eligible for full-time membership reporting and must be reported as kindergarten students, regardless of whether the school switches to a first-grade curriculum mid-year. If the district began the school year with a curriculum designed to advance students to the first grade in the following year (a kindergarten curriculum), those students may be reported as kindergarten (half-time) students.

Q2: Can a district report early kindergarten or early first-grade students as normal kindergarten or first-grade membership by classifying them as being retained in the kindergarten or first grade the following year?

A2: Whether or not a student is retained in a grade is not a factor for determining the student's inclusion in ADM calculations. Districts cannot include a student in the ADM calculations as a kindergarten student unless the student is in a program that is designed to advance the student to the first grade at the end of the school year. Likewise, districts cannot include a student in the ADM calculations as a first-grade student unless the student is in a program that is designed to advance the student to the second grade at the end of the school year.

Q3: Can a district grant students early admission into kindergarten or first grade if they reach the age of five or six, respectively, between September 1 and January 1 of the school year?

A3: Yes, if it is determined to be in the child's best interest, a district governing board may grant early admission at the beginning of the school year into kindergarten or first grade to children who will reach the age of five or six, respectively, between September 1 and January 1 of that school year. This must be done in consultation with the child's parent(s) or guardian(s), the child, the teacher, and the principal. Arizona Revised Statutes §15-821.C.

Kindergarten and First-Grade Average Daily Membership Corrections
in accordance with Attorney General Opinion I00-023

School District Name

CTDS (enter all 9 digits)

Please select from the following.

1. Attorney General Opinion I00-023 does not impact the District—we do not offer an early (pre-) kindergarten or early first-grade program.
2. The District offers instruction in early (pre-) kindergarten or early first grade, but already reports membership and absence data in accordance with Attorney General Opinion I00-023. [The District reports early (pre-) kindergarten as preschool, only if requirements of Arizona Revised Statutes §15-771 are met, or does not report these students. The District reports early first grade as kindergarten.]
3. Submission of kindergarten and first-grade membership and absence data for Fiscal Year (FY) 1999-2000 does not meet the requirements as outlined in Attorney General Opinion I00-023. Corrections will be submitted by February 15, 2001.
4. Submission of kindergarten and first-grade membership and absence data for FY 2000-2001 does not meet the requirements as outlined in Attorney General Opinion I00-023. Corrections will be submitted by February 15, 2001.

If boxes three or four are checked above, please indicate the date the corrected data was/will be submitted.

Date

Superintendent's Signature

Date

This form must be completed, signed, and mailed or faxed to School Finance by February 15, 2001.

School Finance
Arizona Department of Education
1535 W Jefferson
Phoenix, Arizona 85007

Fax: (602) 542-3099