

<b>DATE:</b>	June 13, 2019
<b>SUBJECT:</b>	2017-2018 Final Summary of Finances
<b>CATEGORY:</b>	State Funding
<b>NEXT STEPS:</b>	Share with appropriate staff

A final *Summary of Finances (SOF)* and other related reports for the 2017–2018 school year are now posted to the School Finance website of the Texas Education Agency (TEA) at <https://tealprod.tea.state.tx.us/fsp/Reports/ReportSelection.aspx>. A summary of relevant information about the data used in these reports is provided in the following paragraphs:

**Average Daily Attendance (ADA) and Full-Time Equivalents (FTEs):**

The *SOF* reflects the final student attendance data submitted by districts through the Public Education Information Management System (PEIMS) in July for the 2017–2018 school year. Any changes to average daily attendance (ADA) and full-time equivalent (FTE) student count data submitted and processed since the "near final" *SOF* are reflected on this update. This *SOF* reflects, if applicable, special education FTEs generated by last summer's Extended Year Services (EYS) program and Optional Flexible School Day Program (OFSDP) Credit Recovery ADA reported in PEIMS submission 4. Line 7 of the *SOF* shows the final calculation of students in weighted average daily attendance (WADA).

**ADA Adjustments to Districts Affected by Hurricane Harvey:**

Districts that experienced losses in average daily attendance (ADA) due to Hurricane Harvey and met eligibility requirements for an ADA adjustment were held harmless to an ADA projection calculated using a three-year trend from the 2014–2015 through the 2016–2017 school years or the 2017–2018 legislative payment estimate (LPE) projection for the 2017–2018 school year. **This is a one-time adjustment that will only be made for the 2017–2018 school year.**

Click the following link for more details about the [Commissioner's adjustments to ADA](#) for school districts experiencing declines in enrollment because of Hurricane Harvey.

**Total Tax Collections:**

School Districts: The *SOF* uses audited tax collections as reported by your district's independent auditor in Schedule J-1 of your district's annual financial and compliance report (AFR) for the 2018 fiscal year. If your district received an Instructional Facilities Allotment (IFA) for a lease-purchase agreement, your district's local share of the IFA has been subtracted from the maintenance and operations (M&O) tax collection amount before the calculation of state aid. If your district participates in a tax increment reinvestment zone (TIRZ), your district's reported payments of M&O tax collections to the TIRZ have been subtracted from your district's M&O tax collections as well.

rapid decline in their tax base of more than four percent. Senate Bill 1, General Appropriations

partnership arrangement. The number of WADA being sold does not reflect the "final" WADA that the Chapter 41 district must purchase. The number of WADA bought/sold may need to be adjusted depending on the "final" *Cost of Recapture* reports now available online to Chapter 41 districts. Revisions for WADA sold must be completed by May 2019.

**Existing Debt Allotment (EDA)\*:**

A report entitled *EDA State Aid Report*, available by clicking the "EDA Detail Report" link on line 50 of the SOF, reflects the final state and local shares of the EDA based on final ADA, district property values and updated un-equalized tax collections. Settle-up amounts for 2017–2018 will be paid. If we do not anticipate your district will have a sufficient EDA entitlement in 2019–2020 to net against a negative balance from 2017–2018, the remaining negative balance will be transferred to the IFA ledger, if applicable, or a refund will be requested and obtained. If your district refinanced eligible debt during 2017–2018, please verify that the information on the EDA State Aid Report and in the FSP System's Bond Programs subsystem has been updated correctly.

**\*Additional State Aid for Homestead Exemption (ASAHE) for facilities:**

A report entitled *Additional State Aid for Homestead Exemption (ASAHE) for Facilities Detail Report* available by clicking the "ASAHE for Facilities Detail Report" link on line 53 of the SOF, reflects the final ASAHE allotment based on final ADA and district property values. Settle-up amounts for 2017–2018 will be paid. If we do not anticipate your district will have a sufficient EDA entitlement in 2019–2020 to net against a negative balance from 2017–2018, the remaining negative balance will be transferred to the IFA ledger, if applicable, or a refund will be requested and obtained.

**Instructional Facilities Allotment (IFA):**

A report entitled IFA Allotment Detail, available by clicking the "Details" link on line 51 of the SOF, reflects the final state and local shares of the [IFA](#) based on final ADA, district property values and updated un-equalized tax collections. Settle-up amounts for 2017–2018 will be paid. If we do not anticipate your district will have a sufficient IFA entitlement in 2019–2020 to net against a negative balance from 2017–2018, the remaining negative balance will be transferred to the EDA ledger, if applicable, or a refund will be requested and obtained. If your district refinanced eligible debt during 2017–2018, an amendment is required and adjustments may be necessary.

**FSP Allocations and Adjustments Report:**

The report entitled *FSP Allocations and Adjustments*, available by clicking the "FSP Allocations and Adjustments Report" link at the end of the SOF, shows the amount of your school district's final settle-up. If your school district or charter school was \_\_\_\_\_, the amount owed to the district or to the school was paid in April. If your school district or charter school was \_\_\_\_\_, recovery of the amount overpaid starts in May by reducing the district's or school's 2018–2019 monthly payments from the Foundation School Fund (FSF). If a reduction to the subsequent year's payments, the rate of recovery will be based on the same percentage that FSF monthly payments are based on in accordance with your district's or school's 2018–2019 payment class. Your school district's or charter school's 2017–2018 FSP payment ledger is also available at School District State Aid Reports (select "Payment Ledgers" from the drop-down list).

If you have any questions about the SOF report, please contact a state funding consultant at (512) 463-9238.

Sincerely,

2017–2018 Final *Summary of Finances* (SOF)  
June 13, 2019

Al McKenzie  
Director of State Funding

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