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MEMORANDUM

TO: Charter Representatives and Licensed School Business Officials

FROM: David Craig, Director, School Budget and Finance Analysis Bureau DC
Public Education Department

DATE: MAY 16, 2019

SUBJECT: FINAL ADJUSTMENT – STATE EQUALIZATION GUARANTEE
** ACTION REQUIRED BY JUNE 4, 2019 **

Section 22-8-25(G), NMSA 1978 provides:

The state equalization guarantee distribution shall be distributed prior to June 30 of each fiscal year. The calculation shall be based on the local and federal revenues specified in this section received from June 1 of the previous fiscal year through May 31 of the fiscal year for which the state equalization is being computed. In the event that a school district or charter school has received more state equalization guarantee funds than its entitlement, a refund shall be made by the school district or charter school to the state general fund.

Attachment (1) is a worksheet entitled "2018-2019 Charter School Receipts and Distributions" indicating the 2018-2019 final funded program units, 2018-2019 funded program cost, and actual Operational Impact Aid received July 2018 through May 2019. Also included are the total June 2018 Impact Aid credits as reported to PED with the June 2018 end of year reports from the 930F form, and the amount of State Equalization Guarantee (SEG) distributed July 2018 through May 2019. **Please** verify this information, as it will be needed to complete the enclosed reports.

Attachment (2) is the Final Adjustment for 2018-2019 State Equalization Distribution and Attachment (3) is the Operational Portion of Receipts Report. These forms are to be completed and returned to the School Budget and Finance Analysis Bureau (SBFAB) as soon as possible after the close of May, but no later than **JUNE 4, 2019**. The reports will be reconciled and final distribution of SEG will be made on or before a target date of **JUNE 21, 2019**. **The distribution is dependent on SBFAB receiving Final SEG Adjustment reports from all districts and charter schools before the JUNE 4, 2019 deadline.**

Attention Impact Aid State-Chartered Charter Schools

Enclosed is the most current summary report of Impact Aid Payments for the period June 1, 2018, through May 31, 2019, which is based on Impact Aid Vouchers provided by the U.S. Department of Education. Breakouts for these impact aid payments have already been provided. If a payment has been received that is not listed, please contact Coreena Kim immediately at (505) 690-8897. The Impact Aid Payment report is used to determine the final 75 percent credit for State Equalization for fiscal year 2018-2019. This report may be used to reconcile payments to your accounting system and for year-end reporting, so accuracy is important. If you received a June 2018 Impact Aid payment and it is not present on the attachments, we are showing you did not report it on a 930F, so please notify us immediately.

OTHER ITEMS

Final Adjustment SEG Distribution Instructions

State-chartered charter schools will be required to fill out letters B, C and D on the Final Adjustment for 2018-2019 State Equalization Distribution. Only state-chartered charter schools should do so. The state chartered charter schools' final June SEG is available on letter H. For locally-chartered charter schools should information in letter H reflects 100 percent of your SEG before district administrative withholding.

Year-End Closeout

Charter schools will be provided instructions for completing the 2018-2019 final reports by June 25, 2019. The deadline for submitting budget adjustment requests (BAR's) for this fiscal year for all funds other than Operational (11000), inclusive of Flow-through, is **JUNE 1, 2019 close of business. The deadline for the Operational fund's BAR's, including maintenance BAR's, is June 25, 2019.** The deadline for submitting Cash Transfer requests is **JUNE 25, 2019.** A separate memorandum will be issued for closeout requirements for Flow-through programs.

Attachments: (1) 2018-2019 Charter Receipts and Distributions Report
(2) 2018-2019 Charter Final Adjustment SEG Distribution Form
(3) 2018-2019 Impact Aid Payments Report (Most Current)
(4) 2018-2019 Charter Operational Portion of Receipts

cc: Adan Delgado, Acting Deputy Secretary, Finance and Operations, PED
School Budget and Finance Analysis Bureau, Budget Analysts, PED