

Questions about the School Year Subaccount (SYS)

The following is a list of questions and answers regarding the School Year Subaccount funds provided by the Legislature for the 2011-12 school year.

Q: How much is available in the School Year Subaccount?

A: Per HB 5055 (2011) there is \$125 Million available in the School Year Subaccount.

Q: How is the \$125 Million fund divided?

A: The SYS funds are apportioned by dividing the district's ADMw by the total ADMw for the state. This is similar to how the State School Fund is apportioned.

Q: When are the funds from the SYS going to be available for the districts?

A: The SYS Funds will be available in two stages. The first \$25 Million will be available in September 2011. These funds are from HB 5055 and will be available sooner than the rest of the funds. The remaining \$100 Million will be available after June 1, 2012 per HB 5055 (2011).

Q: Will districts need to submit a report detailing expenses?

A: Yes.

Q: Is a report needed to access the SYS funds?

A: No. The report will be due after the first \$25 Million of the funds is distributed, but will be due before the remaining \$100 Million of the funds is available. However, the report is not to be considered an application that must be completed before a school district can use the funds.

Q: When is the report due?

A: The report, along with proof of compliance, is due January 15, 2012.

Q: Where does a school district submit the report?

A: A school district needs to submit a copy of the report to The President of the Senate, the Speaker of the House of Representatives and the Legislative Fiscal Office.

Q: What should the report look like?

A: The Legislature intentionally made the requirements of the report broad and flexible. School districts must provide a plan as to how they used the SYS funds to increase educational opportunities, reduce class size, or increase the number of school days. The school districts must also submit proof of compliance with the report. This report is an opportunity for the school districts to communicate directly with the Legislature and explain how the current budget crisis is affecting them.

Q: Who reviews the report for compliance?

A: The Legislative Fiscal Office will review the report for compliance. Only if a report is found to not be in compliance will it then be reviewed in turn as follows: the Joint Committee on Ways and Means, the

Joint Legislative Audit Committee, the Joint Interim Committee on Ways and Means or the Emergency Board, followed by the Governor's office. If each of those entities determines the report is not in compliance, then ODE will take steps to recover any distributed SYS funds to that district. Again the report will only be reviewed by entities other than Legislative Fiscal Office if it **does not** comply with the requirements.

Q: How should a district account for the funds?

A: The SYS funds should be coded as 100 General Fund Source Code 3299 as they are restricted funds. Some districts may want to set up a separate Area of Responsibility to track the SYS funds.

Q: If not all school districts use their SYS funds, where do the remaining funds go?

A: The remaining funds will be returned to the Education Stability Fund and will not be reapportioned to those districts that used the funds.

Q: Does my school district have to distribute SYS funds to charter schools?

A: Per SB 5553 (2011), ODE will not be distributing any funds directly to charter schools. Also per SB 5553 (2011) each individual district may transfer a portion of the SYS funds to the charter schools located in the district per the charter of the school or any agreement the district has with the charter school.

Q: If a district uses the SYS funds to cut fewer school days than planned does that comply with the legislative requirements?

A: Yes.

Q: May a district use SYS funds to shift non-instructional days to instructional days?

A: Yes.

Q: May a district spend the SYS funds in the 12-13 school year?

A: No. The SYS funds are to be used in 11-12 only.

Q: Do ESDs receive any of the SYS funds?

A: No. The SYS funds are only for school districts and the Youth Correction Education Program and Juvenile Education Program.

Q: How would a district lose its portion of the SYS funds?

A: The district would have to willfully neglect SB 5553 (2011) in order to not qualify for the SYS funds.