

Department of Education
Summary

A.R.S. § 15-201

Superintendent: The Honorable Jaime Molera

JLBC Analyst: Steve Schimpp/Jake Corey/Hans Olofsson

	FY 2001	FY 2002	FY 2003
	Actual	Estimate	Approved
COST CENTER SUMMARY			
State Board of Education	0	1,980,100	496,000
General Services Administration	16,812,800	13,672,500	14,497,300
Assistance to Schools	2,505,046,400	2,677,561,400	2,676,066,800
Lump Sum Reduction	0	0	(358,900)
TOTAL APPROPRIATIONS	2,521,859,200	2,693,214,000	2,690,701,200
OPERATING BUDGET			
Full Time Equivalent Positions	202.7	224.7	218.7 ^{1/}
Personal Services	3,796,200	4,565,000	4,732,500
Employee Related Expenditures	777,400	1,008,800	1,044,400
Professional and Outside Services	875,400	205,300	206,900
Travel - In State	67,000	80,300	80,300
Travel - Out of State	39,300	25,000	25,000
Other Operating Expenditures	1,129,300	884,400	884,400
Equipment	182,200	0	0
<i>Operating Subtotal</i>	6,866,800	6,768,800	6,973,500
Special Line Items	2,514,992,400	2,686,445,200	2,683,086,600
Lump Sum Reduction	0	0	(358,900)
School Reading Programs; K-3 (Ch. 295)	0	0	1,000,000
TOTAL APPROPRIATIONS	2,521,859,200	2,693,214,000	2,690,701,200^{2/}
FUND SOURCES			
General Fund	2,443,110,700	2,612,982,300	2,612,701,100
<u>Other Appropriated Funds</u>			
Proposition 301 Fund	0	6,949,000	6,675,200
Permanent State School Fund	77,797,200	72,263,000	70,263,000
Teacher Certification Fund	951,300	1,019,700	1,061,900
<i>Subtotal - Other Appropriated Funds</i>	78,748,500	80,231,700	78,000,100
TOTAL APPROPRIATIONS	2,521,859,200	2,693,214,000	2,690,701,200

AGENCY DESCRIPTION — *The Department of Education is headed by the Superintendent of Public Instruction, an elected constitutional officer. For FY 2003 it is anticipated that the department will oversee 228 school districts and at least 400 charter schools in their provision of public education from preschool through grade 12.*

^{1/} Includes 110.2 FTE Positions funded from Special Line Items in FY 2003.

^{2/} General Appropriation Act (Laws 2002, Chapter 327) funds are appropriated as an Operating Lump Sum with Special Line Items for the Program.

PERFORMANCE MEASURES	FY 1999	FY 2000	FY 2001	FY 2002-03
	Est./Actual	Est./Actual	Est./Actual	Estimate
• % of students tested who perform at or above the national norm on the Stanford 9 test.	NA/50.9	51.8/52.1	53.0/54.6	54/55
• % of students tested	NA/88.6	100/92	93/95	94/95
• % of parents who rate “A+” the public school that their oldest school-age child attends	NA/7	NA/8	8/7	8
• % of agency staff turnover	NA/29.2	NA/21.6	20.0/19.6	19/18
• Administration as a % of total cost	NA	0.2/NA	0.2/NA	0.2
• Total cost of administration (\$ in millions)	NA	NA	4.3/4.3	4.7

Unfunded FTE Positions — The approved amount includes a General Fund decrease of (7.0) FTE Positions below FY 2002 due to the statewide elimination of unfunded FTE Positions. For details on the methodology used to calculate the reduction, please see the *General Provisions* section at the front of the *Appropriations Report*.

OVERVIEW OF PROPOSITION 301

This section provides an overview of Proposition 301 (“Education 2000”) from the November 2000 General Election. That Proposition amended A.R.S. § 42-5010 in order to raise the state Transaction Privilege Tax (TPT) (“sales tax”) rate on most purchases from 5% to 5.6% C an increase of 0.6 cents for every dollar of purchase. It also amended A.R.S. § 42-5029 in order to prescribe how those new revenues would be allocated (see *Table 1*).

As shown in *Table 1*, the K-12 Classroom Site receives all monies that remain from the Proposition 301 fund after all other allocations are made. It also receives all growth in expendable earnings from the Permanent State School Fund after FY 2001.

The allocations shown in *Table 1* are estimates. Actual allocations will depend on sales tax collections for FY 2003.

Table 1	
Estimated Allocation of Education 2000 Monies for FY 2003	
Revenues	
Estimated 0.6 cent Sales Tax Revenue	\$455,420,500
Expenditures	
Students FIRST Debt Service	70,000,000
Universities	46,250,500
Community Colleges	11,562,600
Tribal Assistance	483,000
Additional School Days	31,530,100
School Safety	7,800,000
Character Education	200,000
School Accountability	6,675,200
Failing Schools Tutoring Fund	1,500,000
Income Tax Credit for Sales Tax Paid	<u>25,000,000</u>
Available for Site Fund: Sales Tax	254,419,100
Available for Site Fund: Land Trust	6,017,700
Total Available for Site Fund	\$260,436,800

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