

**K-12 Funding (M&O, Capital and Other)**

**FY 2008 through FY 2017 est**

JLBC Staff  
7/20/2016

**All Funding <sup>1/</sup>**

Source/ Item	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 est	FY 2017 est
<b>Equalization Formula Only <sup>2/</sup></b> (state, local & federal "stimulus")	5,705,999,400	5,787,415,400	5,743,522,300	5,550,278,800	5,411,340,900	5,514,983,400	5,731,858,100	5,854,562,613	6,183,022,800	6,334,046,900
Funding per Student	5,481	5,531	5,471	5,297	5,143	5,198	5,321	5,367	5,593	5,660
Inflation Adjusted Funding per Student	5,481	5,388	5,227	5,022	4,818	4,770	4,795	4,759	4,880	4,889
<b>State Only <sup>3/</sup></b> (equalization + non-formula, SFB, and misc)	5,152,167,400	4,631,772,100	4,425,458,000	4,080,080,700	4,014,597,200	4,096,473,000	4,425,167,000	4,547,460,213	4,928,819,500	5,067,156,900
Funding per Student	4,949	4,427	4,216	3,894	3,816	3,861	4,108	4,169	4,459	4,528
Inflation Adjusted Funding per Student	4,949	4,312	4,028	3,692	3,574	3,543	3,702	3,697	3,890	3,911
<b>State &amp; Local Only <sup>4/</sup></b> (equalization + non-formula, SFB, and misc)	8,932,579,600	8,576,430,500	8,016,125,900	8,132,845,600	7,895,860,800	8,109,640,500	8,430,688,700	8,628,028,400	9,132,305,000	9,365,746,300
Funding per Student	8,580	8,197	7,636	7,761	7,505	7,643	7,826	7,910	8,262	8,369
Inflation Adjusted Funding per Student	8,580	7,984	7,295	7,359	7,030	7,014	7,053	7,014	7,207	7,229
<b>State, Local and Federal <sup>5/</sup></b> (equalization + non-formula, SFB, and misc)	9,967,624,300	9,691,607,100	9,803,450,200	9,689,254,900	9,180,176,900	9,384,923,500	9,627,815,600	9,897,557,500	10,401,834,100	10,635,275,400
Funding per Student	9,574	9,263	9,339	9,247	8,726	8,845	8,938	9,074	9,410	9,504
Inflation Adjusted Funding per Student	9,574	9,022	8,922	8,767	8,173	8,117	8,054	8,045	8,209	8,209
<b>Technical Assumptions:</b>										
ADM Pupil Count	1,041,062	1,046,319	1,049,732	1,047,864	1,052,087	1,061,059	1,077,236	1,090,818	1,105,401	1,119,045
Inflation Adjustment Factor <sup>6/</sup>	1.000	0.974	0.955	0.948	0.937	0.918	0.901	0.887	0.872	0.864
Inflation Rate	3.1%	2.7%	2.0%	0.8%	1.2%	2.1%	1.8%	1.6%	1.6%	1.0%

<sup>1/</sup> Includes all funding reported in "Revenues Received by Source" tables in the Annual Report of the Superintendent of Public Instruction. Those tables report all K-12 revenues under 1 of 7 categories: 1) Maintenance and Operations (M&O), Classroom Site Fund (CSF) and Instructional Improvement Fund (IIF); 2) Unrestricted Capital Outlay; 3) Soft Capital Outlay; 4) School Facilities; 5) Adjacent Ways; 6) Debt Service; and 7) Other. "Other" funding is from sources such as federal & state projects, food services, self-insurance, gifts and donations, auxiliary operations and extracurricular activities. The corresponding "Non-Capital Funding Only" table includes only "M&O" and "Other" funding.

<sup>2/</sup> Includes all state, local and federal monies that help fund the Basic State Aid formula and the State Aid Supplement from Proposition 123. Figures have been adjusted to account for the impact of temporary factors that otherwise would distort long-term trends, including K-12 rollovers, school district cash balance deductions, temporary federal stimulus monies and the suspension of the State Equalization Tax Rate (SETR) for FY07 -F09 (see next page for details).

<sup>3/</sup> Includes all state monies (GF, land trust & Prop 301) used for formula programs, non-formula programs, ADE administration, and School Facilities Board (SFB) funding. Figures have been adjusted to account for the impact of temporary factors that otherwise would distort long-term trends (see next page for details). Excludes appropriations from the Student Success Fund to avoid double counting of GF monies.

<sup>4/</sup> Includes all state and local monies used for formula programs, non-formula programs, ADE administration, SFB funding, and miscellaneous, including local override funding. Excludes all federal monies. Data on local funding for FY 2016 and FY 2017 are not available. The table assumes that the \$4.081 B level of local funding reported for FY 2015 will grow in FY 2016 and FY 2017 by 1.4% and 1.25% , respectively, for enrollment and 1.59% and 1.0%, respectively, for inflation.

<sup>5/</sup> Includes all state, local and federal monies used for formula programs, non-formula programs, ADE administration, SFB funding, and miscellaneous. Data on federal monies for FY 2016 and FY 2017 are not available. The table assumes that the \$1.270 B level of federal monies reported for FY 2015 will remain unchanged for FY 2016 and FY 2017, which roughly reflects recent trends.

<sup>6/</sup> "Inflation Adjustment Factor" represents cumulative inflation, whereas "Inflation Rate" is above prior year only. Both reflect GDP deflator for second preceding calendar year per statute under most recent data (e.g., rates applying to FY 2017 are CY 2015 actuals).

**All Funding** (continued)

Source/ Item	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 est	FY 2017 est
<b>Equalization Formula Only DETAIL</b>										
General Fund	3,489,910,000	3,217,869,400	2,835,861,400	3,000,228,100	3,032,066,900	3,100,720,300	3,260,395,500	3,362,203,113	3,491,626,400	3,586,212,000
Permanent State School Fund	45,220,700	45,220,700	16,269,400	25,497,100	46,475,500	46,475,500	46,475,500	46,475,500	219,440,500	219,804,200
QTR	1,819,150,600	1,915,549,700	1,984,272,000	2,014,266,200	2,022,038,400	2,037,936,600	2,054,647,100	2,078,049,100	2,102,191,500	2,151,774,500
SETR	0	0	243,439,100	253,613,500	257,839,300	265,470,500	276,339,900	281,554,400	283,483,900	289,975,700
Prop 301	79,090,400	85,980,500	100,960,600	86,280,500	86,280,500	86,280,500	86,280,500	86,280,500	86,280,500	86,280,500
Equalization total	5,433,371,700	5,264,620,300	5,180,802,500	5,379,885,400	5,444,700,600	5,536,883,400	5,724,138,500	5,854,562,613	6,183,022,800	6,334,046,900
Adjustments: <u>1/</u>										
Rollover <u>2/</u>	272,627,700	262,609,800	350,000,000	-	-	(21,900,000)	-	-	-	-
Cash Balances <u>3/</u>	-	260,185,300	(115,892,400)	-	-	-	-	-	-	-
ARRA <u>4/</u>	-	-	521,067,300	42,643,500	-	-	-	-	-	-
EduJobs <u>5/</u>	-	-	-	106,955,900	35,000,000	-	-	-	-	-
Miscellaneous <u>6/</u>	-	-	(192,455,100)	20,794,000	(68,359,700)	-	7,719,600	-	-	-
Equalization total - adjusted	5,705,999,400	5,787,415,400	5,743,522,300	5,550,278,800	5,411,340,900	5,514,983,400	5,731,858,100	5,854,562,613	6,183,022,800	6,334,046,900
<b>State Only DETAIL</b>										
Basic State Aid (BSA) (w/o land trust \$)	3,489,910,000	3,217,869,400	2,835,861,400	3,000,228,100	3,032,066,900	3,100,720,300	3,260,395,500	3,362,203,113	3,491,626,400	3,586,212,000
Additional State Aid (ASA) <u>7/</u>	366,134,800	295,940,800	231,187,600	414,716,400	305,775,400	286,677,100	336,776,400	359,909,200	366,684,000	398,836,400
Other Formula programs	35,938,200	35,702,100	35,976,500	35,830,800	33,760,100	33,816,100	33,298,500	33,448,100	33,226,000	33,226,000
Non-Formula programs	82,423,700	114,333,900	49,560,600	28,546,600	27,995,700	36,584,300	38,810,600	66,736,300	42,098,100	42,196,300
ADE Administration	10,720,200	9,508,400	9,028,800	8,248,600	7,634,400	7,717,000	8,261,000	8,264,800	8,239,400	8,905,100
BSA - Permanent State School Fund	45,220,700	45,220,700	16,269,400	25,497,100	46,475,500	46,475,500	46,475,500	46,475,500	219,440,500	219,804,200
SFB - New School Facilities (NSF)	362,000,000	-	-	-	-	-	672,000	858,200	2,249,600	24,253,200
SFB - NSF Debt Service	71,832,600	79,103,000	100,604,700	63,459,100	160,105,700	169,429,700	172,719,800	160,739,300	171,109,400	170,006,600
SFB - Building Renewal	43,141,800	-	-	-	-	-	-	-	-	-
SFB - Building Renewal Grants	-	7,000,000	2,667,900	2,667,900	14,167,900	2,667,900	16,667,900	15,128,600	31,667,900	31,667,900
SFB - Deficiencies Correction	-	-	-	-	-	-	-	-	-	-
SFB - Deficiency Revenue Bonds	-	-	-	-	-	-	-	-	-	-
SFB - Access Our Best Public Schools	-	-	-	-	-	-	-	-	23,900,000	500,000
SFB - Other	4,322,300	1,610,800	1,422,400	1,309,900	1,283,500	1,652,100	1,587,100	1,629,600	1,672,500	1,666,700
Prop 301 - Classroom Site Fund	500,932,700	332,716,300	270,460,100	252,281,000	283,543,800	293,860,300	406,722,200	389,287,000	434,125,200	447,102,000
Prop 301 - Other	95,590,400	102,480,500	117,460,600	102,780,500	102,780,500	102,780,500	102,780,500	102,780,500	102,780,500	102,780,500
State total	5,108,167,400	4,241,485,900	3,670,500,000	3,935,566,000	4,015,589,400	4,082,380,800	4,425,167,000	4,547,460,213	4,928,819,500	5,067,156,900
Adjustments: <u>1/</u>										
Rollover <u>2/</u>	272,000,000	330,886,200	350,000,000	-	-	(21,900,000)	-	-	-	-
State Equalization Tax Rate <u>8/</u>	(228,000,000)	(240,600,000)	-	-	-	-	-	-	-	-
Cash Balances <u>3/</u>	-	300,000,000	(116,109,300)	-	-	-	-	-	-	-
ARRA <u>4/</u>	-	-	521,067,300	42,643,500	-	-	-	-	-	-
EduJobs <u>5/</u>	-	-	-	106,955,900	35,000,000	-	-	-	-	-
Miscellaneous <u>6/</u>	-	-	-	(5,084,700)	(35,992,200)	35,992,200	-	-	-	-
State total - adjusted	5,152,167,400	4,631,772,100	4,425,458,000	4,080,080,700	4,014,597,200	4,096,473,000	4,425,167,000	4,547,460,213	4,928,819,500	5,067,156,900

1/ To offset the impact of temporary factors that otherwise would distort long-term trends.

2/ A positive number offsets the effects of a K-12 rollover for a fiscal year. The negative FY 2007 and FY 2013 numbers offset the impact of the one-time rollover "paybacks" that occurred during those years.

3/ The final FY 2009 budget included a \$(300) M one-time deduction to be offset with local cash balances (ADE deducted \$260 M from Basic State Aid and \$40 M from the Homeowner's Rebate). The FY 2010 budget included a related \$116 M one-time increase.

4/ The FY 2010 and FY 2011 budgets used one-time federal monies from the American Recovery and Reinvestment Act (ARRA) to offset a portion of state K-12 formula costs for those years.

5/ Education Jobs Fund (EduJobs) figures assume that public schools used one-time federal Education Jobs Fund monies to offset an estimated \$107 M formula shortfall in FY 2011 and a \$35 M Capital Outlay Revenue Limit (CORL) reduction in FY 2012. Public schools received an additional \$66 M in "EduJobs" funding (\$208 M total) that also could have been used to offset formula reductions, but such offsets were not assumed in state budgets for the affected fiscal years.

6/ Includes shifts of surplus funding between BSA & ASA to cover shortfalls in the other program for a given fiscal year and an adjustment to correct for the inadvertent use of FY 2012 surplus monies to cover FY 2013 ASA costs.

7/ Additional State Aid ("Homeowner's Rebate" plus "1% Cap") funding is not adjusted for statutory changes that have affected programs costs, such as reductions in the assessment ratio for business property and funding ASA on the QTR only.

8/ For FY 2007 through FY 2009 the state temporarily backfilled with General Fund monies the reduction in K-12 local property tax revenues associated with a 3-year suspension of the State Equalization Tax Rate (SETR).