

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

**FY 2011 through FY 2020 est**

JLBC Staff  
8/16/2019

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

Source/ Item	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019 est	FY 2020 est
<b>Equalization Formula Only <sup>2/</sup></b> (state & local)	5,550,278,800	5,409,764,900	5,509,774,200	5,721,658,100	5,837,228,913	6,155,131,994	6,274,669,776	6,399,412,608	6,957,974,016	7,458,576,800
Funding per Student	5,297	5,142	5,193	5,335	5,381	5,619	5,676	5,753	6,233	6,653
Inflation Adjusted Funding per Student	5,297	5,083	5,028	5,069	5,024	5,151	5,150	5,166	5,493	5,724
<b>State Only <sup>3/</sup></b> (equalization + non-formula, SFB, and misc)	4,118,868,200	4,055,154,600	4,134,270,200	4,458,083,600	4,551,774,113	4,961,232,679	5,069,186,265	5,333,439,100	5,909,657,500	6,459,692,400
Funding per Student	3,931	3,854	3,896	4,157	4,196	4,529	4,586	4,795	5,294	5,762
Inflation Adjusted Funding per Student	3,931	3,810	3,773	3,949	3,918	4,152	4,160	4,305	4,666	4,958
<b>State &amp; Local Only <sup>4/</sup></b> (equalization + non-formula, SFB, and misc)	8,132,845,600	7,895,860,800	8,109,640,500	8,430,688,700	8,628,028,400	8,975,568,600	8,999,792,900	9,450,532,900	10,120,930,600	10,780,964,000
Funding per Student	7,761	7,505	7,643	7,861	7,954	8,194	8,141	8,496	9,066	9,617
Inflation Adjusted Funding per Student	7,761	7,419	7,400	7,468	7,426	7,511	7,386	7,629	7,990	8,274
<b>State, Local and Federal <sup>5/</sup></b> (equalization + non-formula, SFB, and misc)	9,689,254,900	9,180,176,900	9,384,923,500	9,627,815,600	9,897,557,500	10,277,520,400	10,307,279,100	10,761,460,427	11,487,471,000	12,158,753,100
Funding per Student	9,247	8,726	8,845	8,977	9,124	9,382	9,324	9,674	10,290	10,846
Inflation Adjusted Funding per Student	9,247	8,625	8,564	8,529	8,519	8,601	8,459	8,687	9,069	9,331
<b>Technical Assumptions:</b>										
ADM Pupil Count	1,047,864	1,052,087	1,061,059	1,072,451	1,084,796	1,095,430	1,105,467	1,112,393	1,116,351	1,121,071
Inflation Adjustment Factor <sup>6/</sup>	1.000	0.988	0.968	0.950	0.934	0.917	0.907	0.898	0.881	0.860
Inflation Rate	0.8%	1.2%	2.1%	1.9%	1.8%	1.9%	1.0%	1.0%	1.9%	2.4%

- <sup>1/</sup> Includes all funding reported in "Revenues Received by Source" tables in the Annual Report of the Superintendent of Public Instruction. They report K-12 revenues under 7 categories: 1) Maintenance and Operations (M&O), 2) Unrestricted Capital Outlay, 3) Classroom Site Fund (CSF) and Instructional Improvement Fund (IIF); 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, CSF and IIF, and "Other" funding. "State Only" section in this table also includes School Facilities Board (SFB) administrative and debt service funding.
- <sup>2/</sup> Includes all state and local monies that help fund the Basic State Aid formula, including Additional Teacher Salary Increase monies and the State Aid Supplement from Proposition 123, but excluding ESA funding. Figures have been adjusted to account for temporary factors that 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 and miscellaneous) used by ADE and the School Facilities Board (SFB) for formula programs (excluding ESAs), non-formula programs, and agency administration. Excludes Teacher Certification and Professional Development Revolving Fund monies because they are from teacher fees. Excludes ESA Account Fund to avoid GF doublecount. Figures have been adjusted to account for the impact of temporary factors that otherwise would distort long-term trends (see next page for details).
- <sup>4/</sup> Includes all "Local," "County" and "State" (but not "Federal") monies reported by school districts and charter schools in the Superintendent's Annual Report for each year shown. Data on actual local funding for FY 2019 and FY 2020 are not yet available. The table assumes that the \$4.119 B level of "Local" and "County" (combined) funding reported for FY 2018 will grow in FY 2019 and FY 2020 by 0.4% and 0.6%, respectively, for enrollment and by 1.9% and 2.0%, respectively, for inflation.
- <sup>5/</sup> Includes all "Local," "County," "State" and "Federal" monies reported by school districts and charter schools in the Superintendent's Annual Report for each year shown. Data on actual federal monies for FY 2019 and FY 2020 are not yet available. The table assumes that the \$1.309 B of federal monies reported for FY 2018 will increase by \$55.6 M for FY 2019 and by an additional \$11.2 M for FY 2020 based on August 2019 estimates from the U.S. Department of Education.
- <sup>6/</sup> "Inflation Adjustment Factor" represents cumulative inflation, whereas the "Inflation Rate" is above prior year only. Both reflect GDP deflator for second preceding calendar year pursuant to A.R.S. § 15-901.01 (e.g., rates applying to FY 2020 are CY 2018 actuals).

**All Funding** (continued)

Source/ Item	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019 est	FY 2020 est
<b>Equalization Formula Only DETAIL</b>										
General Fund	3,000,228,100	3,030,490,900	3,095,511,100	3,250,195,500	3,344,869,413	3,469,735,594	3,538,072,915	3,597,183,200	4,047,106,300	4,462,172,900
Permanent State School Fund	25,497,100	46,475,500	46,475,500	46,475,500	46,475,500	219,440,500	219,804,200	235,339,100	277,115,300	290,489,100
QTR	2,014,266,200	2,022,038,400	2,037,936,600	2,054,647,100	2,078,049,100	2,096,191,500	2,139,905,669	2,185,859,010	2,246,549,614	2,311,742,600
SETR	253,613,500	257,839,300	265,470,500	276,339,900	281,554,400	283,483,900	290,606,492	294,750,798	300,922,302	307,891,700
Prop 301	86,280,500	86,280,500	86,280,500	86,280,500	86,280,500	86,280,500	86,280,500	86,280,500	86,280,500	86,280,500
Equalization total	5,379,885,400	5,443,124,600	5,531,674,200	5,713,938,500	5,837,228,913	6,155,131,994	6,274,669,776	6,399,412,608	6,957,974,016	7,458,576,800
Adjustments: <u>1/</u>										
Rollover <u>2/</u>	-	-	(21,900,000)	-	-	-	-	-	-	-
Cash Balances <u>3/</u>	-	-	-	-	-	-	-	-	-	-
ARRA <u>4/</u>	42,643,500	-	-	-	-	-	-	-	-	-
EduJobs <u>5/</u>	106,955,900	35,000,000	-	-	-	-	-	-	-	-
Miscellaneous <u>6/</u>	20,794,000	(68,359,700)	-	7,719,600	-	-	-	-	-	-
Equalization total - adjusted	5,550,278,800	5,409,764,900	5,509,774,200	5,721,658,100	5,837,228,913	6,155,131,994	6,274,669,776	6,399,412,608	6,957,974,016	7,458,576,800
<b>State Only DETAIL</b>										
Basic State Aid (BSA) (w/o land trust & ESA)	3,000,228,100	3,030,490,900	3,095,511,100	3,250,195,500	3,344,869,413	3,469,735,594	3,538,072,915	3,597,183,200	4,047,106,300	4,462,172,900
Additional State Aid (ASA) <u>7/</u>	414,716,400	305,775,400	286,677,100	336,776,400	359,909,200	377,979,585	402,088,103	410,546,000	415,725,400	426,994,900
Other Formula programs	35,830,800	33,760,100	33,816,100	33,298,500	33,448,100	32,293,500	32,470,172	71,550,500	65,113,100	105,613,100
Non-Formula programs	28,546,600	27,995,700	36,584,300	38,810,600	44,336,300	41,034,200	49,932,534	58,830,000	69,178,100	89,628,500
ADE Administration	8,248,600	7,634,400	7,717,000	8,261,000	8,264,800	8,236,300	8,905,100	8,956,800	8,851,500	8,851,500
BSA - Permanent State School Fund	25,497,100	46,475,500	46,475,500	46,475,500	46,475,500	219,440,500	219,804,200	235,339,100	277,115,300	290,489,100
SFB - New School Facilities (NSF)	-	-	-	672,000	858,200	2,249,600	24,253,200	87,008,400	87,626,500	112,602,500
SFB - NSF Debt Service	63,459,100	160,105,700	169,429,700	172,719,800	160,739,300	171,109,400	170,006,600	169,761,700	134,287,300	131,870,500
SFB - Building Renewal	-	-	-	-	-	-	-	-	-	-
SFB - Building Renewal Grants	2,667,900	14,167,900	2,667,900	16,667,900	15,128,600	31,667,900	31,667,900	43,835,800	76,085,800	79,458,800
SFB - Deficiencies Correction	-	-	-	-	-	-	-	-	-	-
SFB - Deficiency Revenue Bonds	-	-	-	-	-	-	-	-	-	-
SFB - Public School Credit Enhancement	-	-	-	-	-	23,900,000	500,000	-	-	-
SFB - Other	1,309,900	1,283,500	1,652,100	1,587,100	1,629,600	1,451,100	1,461,900	1,634,800	1,700,700	1,718,500
Prop 301 - Classroom Site Fund	252,281,000	283,543,800	293,860,300	406,722,200	389,287,000	434,123,400	442,466,241	518,674,500	579,087,000	602,511,600
Prop 301 - Other	102,780,500	102,780,500	102,780,500	102,780,500	102,780,500	102,780,500	102,780,500	102,780,500	102,780,500	102,780,500
Instructional Improvement Fund	38,787,500	42,133,400	43,006,400	43,116,600	44,047,600	45,231,100	44,776,900	27,337,800	45,000,000	45,000,000
State total	3,974,353,500	4,056,146,800	4,120,178,000	4,458,083,600	4,551,774,113	4,961,232,679	5,069,186,265	5,333,439,100	5,909,657,500	6,459,692,400
Adjustments: <u>1/</u>										
Rollover <u>2/</u>	-	-	(21,900,000)	-	-	-	-	-	-	-
State Equalization Tax Rate <u>8/</u>	-	-	-	-	-	-	-	-	-	-
Cash Balances <u>3/</u>	-	-	-	-	-	-	-	-	-	-
ARRA <u>4/</u>	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	4,118,868,200	4,055,154,600	4,134,270,200	4,458,083,600	4,551,774,113	4,961,232,679	5,069,186,265	5,333,439,100	5,909,657,500	6,459,692,400

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.