



# Arizona School Finance Past, Present and Future

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# Small School District/Charter Funding Weights 2016-17 School Year

District Size	<u>Elementary</u>		<u>High School</u>	
	<u>Small Isolated</u>	<u>Small</u>	<u>Small Isolated</u>	<u>Small</u>
Over 600	\$4,210.07	\$4,210.07	\$4,609.99	\$4,609.99
500				
400		increases up to		
300				
200				
99 or less	\$5,667.96	\$5,086.26	\$6,067.88	\$5,667.96
	+34%	+21%	+32%	+23%

\*Isolated = no schools within 30 miles of another district or if road conditions and terrain make the driving slow or hazardous; 15 miles

# Group B Add-On 2016 – 2017 School Year

<u>Category</u>	<u>Weight</u>	<u>Amount</u>
<del>K</del>	<del>1.352</del>	<del>\$2458*</del>
K-3	0.060	\$ 218
K-3 Reading	0.040	\$ 145
English Learners	0.115	\$ 418
Disabled Students	Range from \$11,481 to \$28,892	

Hearing Impaired, Multiple Disabilities, Physically Impaired, Moderate Mental Retardation, Severely Emotionally Disabled, and Visual Impairment

\*Old Funding for Full Day K

# 2016-17 Group A Concept Elementary and High School

	<u>Basic Wt. *</u>	<u>Group A Wt.*</u>	<u>Total</u>
Elem.	1.00 - \$3,635.64	0.158 - \$574.43	1.158 - \$4,210.07
H.S.	1.163 - \$4,228.25	0.105 - \$381.74	1.268 - \$4,609.99

## Regular education - special services:

Specific learning disability  
 Mild mental retardation  
 Speech/language impairment  
 Other health impairment  
 Preschool/speech lang. delay  
 Preschool/moderate delay

Emotional disability  
 Remedial education  
 Homebound  
 Bilingual  
 Gifted  
 Career Exploration

# Group A Concept

Extra funding for every student = Expenditures for special needs students

- No financial incentive to put students in
- No financial incentive not to end services
- Assumes fairly equal distribution of students

State Totals for FY 2015

- 105,706 Group A Students
- 126,256 Total Disabled Students
- 84% of total were group A

# Group B Concept

Extra funding for  
specific students

=

Expenditures for  
specific students

- Identification criteria clear
- Parents follow programs

State Totals for FY 2015

- 20,550 Group B Students
- 126,256 Total Disabled Students
- 16% of total were group B

# Impact of Special Education Services For Disabled Students

- Mandated by state and federal law
- Lack of funds does not excuse providing services
- For both districts and charters lack of adequate funding forces reduction of services in other areas
- Total for disabled students served in FY 2015 126,265
- Districts served 111,910 or 88.6% of total
- Charters served 14,344 of 11.4%

# Special Education Services for Disabled Students

## Districts

Self-Contained

20,699                      % of total                      18.5%

Resource

91,241                      % of total                      81.5%

Total = 111,910

## Charters

Self-Contained

533                              % of Total                      3.7%

Resource

13,811                      % of Total                      96.3%

Total = 14,344



# Additional Provisions for School District

## Teachers Compensation (15-952)

- Increase of 1.25% in base level funding for calculating district support level. Requires State Board of Education approval. Monies may only be expended for teachers compensation. To qualify district must have an approved teacher performance evaluation system and minimum qualifications for evaluators.
- \$45 increase in base level

## Teachers Experience Index / TEI 15-941

- Only certified teachers that conduct regularly scheduled classes count. Librarians, guidance counselors, curriculum coordinators and others that do not conduct regularly are not counted. Up to 15 years count. 2.25% increase in formula for each year district average is above state average. FY 2016 state average was 9.27 years

# 2016-17 District Additional Assistance

- DAA K-8 = \$450\*
- DAA 9-12 = \$492\*
- DAA textbooks 9-12 = \$69.88\*

\* Same amount since 1998-99 since no inflation increase ever

# 2016-17 Charter Additional Assistance

- CAA P-8 = \$1,752
- CAA 9-12 = \$2,042
- Legislature has provided an annual inflation adjustment
- Increase of \$1,302 over district amount for K-8
- Increase of \$1,480 over district amount for 9-12

# District Additional Assistance (DAA) FY 2017

- No increase in formula amount
- Total reduction for FY2017 \$352,442,700
- Estimate reduction at 85% for districts with 1,100 or more students
- Reduction estimated at \$415 per student

# Charter Additional Assistance (CAA) FY 2017

- Inflation Increase from FY 2016 (0.99%)
- Total reduction for FY 2017 of \$18,656,000
- Reduction estimated at \$115 per student

# District and Charter Revenue FY 2015

## Average Daily Membership

Districts	929,682	% of Total	85.2%
Charters	161,135	% of Total	14.8%
Total	1,090,817		

## District Revenue

Source	Amount	Per Pupil / %
State	\$3,261,174,196	\$3,507 / 37.9%
Local	\$3,902,377,559	\$4,197 / 45.4%
County/ Intermediate	\$281,221,229	\$302 / 3.3%
Federal	\$1,155,026,594	\$1,242 / 13.4%
Total	\$8,599,799,578	\$9,250

## Charter Revenue

Source	Amount	Per Pupil / %
State	\$1,082,417,789	\$6,717 / 83.4%
Local	\$99,826,826	\$602 / 7.7%
County/ Intermediate	\$1,010,797	\$6 / 0.1%
Federal	\$114,502,497	\$711 / 8.8%
Total	\$1,297,757,909	\$8,054

# District and Charter Revenue FY 2015

Per Pupil State, Local and County/ Intermediate

District Revenue		Charter Revenue	
State	\$3,507	State	\$6,717
Local	\$4,197	Local	\$620
County/Intermediate	\$302	County/Intermediate	\$6
Total	\$8,006	Total	\$7,343

Difference  $\$8,006 - \$7,343 = \$663$  or 9%

Adjusted for Expenditures for Disabled Students		
District	\$761,428,974	\$819 per student
Charters	\$59,096,987	\$366 per student

Difference  $\$453$

Adjusted Difference  $\$663 - \$453 = \$210$

# Charter Funding History

- At the beginning formula the same for districts and charter
  - Base Support Level (BSL)
  - Transportation Support Level (TSL)
  - Capital Outlay Revenue Limit (CORL)
  - Capital Levy Revenue Limit (CLRL)
- After that formula for Transportation Support Level was removed and all charters were given \$174 in additional funding
- After that CORL and CLRL and the \$174 were put into Charter Additional Assistance
- As the state made efforts to settle Roosevelt v. Bishop the capital funding lawsuit, each attempt resulted in increases to Charter Additional Assistance
- With passage of Prop 301 Charter Additional Assistance received annual inflation adjustments.



# FY 1992 Revenue Per Pupil

	Source			
	Federal	State	Local	Total
U.S.Average	\$361	\$2661	\$2598	\$5621
Arizona	\$453	\$2086	\$2391	\$4931
Arizona Rank	6	39	26	34
AZ % of US Average	125.5%	78.4%	92%	87.7%

# FY1992 Versus FY2014 Revenue Per Pupil

## FY 1992 Revenue Per Pupil

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	Federal	State	Local	Total
U.S.Average	\$361	\$2661	\$2598	\$5621
Arizona	\$453	\$2086	\$2391	\$4931
Arizona Rank	6	39	26	34
AZ % of US Average	125.5%	78.4%	92%	87.7%

## FY 2014 Revenue Per Pupil

	Source			
	Federal	State	Local	Total
U.S.Average	\$1094	\$5969	\$5712	\$12774
Arizona	\$1168	\$3371	\$4246	\$8786
Arizona Rank	16	49	30	48
AZ % of US Average	106.8%	56.5%	74.3%	68.8%

# FY 1992 Finance Amount Per \$1,000 of Personal Income

	Source			
	Federal	State	Local	Total
U.S.Average	\$3.15	\$23.24	\$22.64	\$49.09
Arizona	\$4.79	\$22.05	\$25.27	\$52.11
Arizona Rank	12	31	21	23
AZ % of US Average	152.0%	94.9%	111.4%	106.2%

# FY 1992 Versus FY 2014 Finance Amount Per \$1,000 of Personal Income

## FY 1992 Finance Amount Per \$1,000 of Personal Income

	Source			
	Federal	State	Local	Total
U.S.Average	\$3.15	\$23.24	\$22.64	\$49.09
Arizona	\$4.79	\$22.05	\$25.27	\$52.11
Arizona Rank	12	31	21	23
AZ % of US Average	152.0%	94.9%	111.4%	106.2%

## FY 2014 Finance Amount Per \$1,000 of Personal Income

	Source			
	Federal	State	Local	Total
U.S.Average	\$3.76	\$20.52	\$19.64	\$43.91
Arizona	\$4.53	\$13.06	\$16.45	\$34.04
Arizona Rank	15	48	27	49
AZ % of US Average	120.5%	63.6%	83.7%	77.5%

# Prop 30 | Estimated Revenue – FY 2017

Sales Tax            \$671,576,900

Endowment        \$68,456,700

Earnings

Total                \$740,033,600

Additional Sales Tax Collected Through June 30,  
2021

# Prop 301 Expenditures FY 2017

SFB Debt Service	\$64,142,500
Universities	\$78,892,100
Community Colleges	\$18,223,000
Tribal Assistance	\$786,100
Additional School Days	\$86,280,000
School Safety	\$7,800,000
Character Education Grant	\$200,000
Accountability Measures (SAIS)	\$7,000,000
Failing Schools Tutoring Fund	\$1,500,000
Income Tax Credit	\$25,000,000
Classroom Site Fund	<u>\$387,752,700</u>
TOTAL (Sales Tax only)	\$671,576,900

# Classroom Site Fund Revenues

Prop 301 Sales Tax	\$387,752,700
Endowment Earnings	\$68,456,700
Prior Year Carry Forward	<u>\$13,850,600</u>
Total Estimated Revenue	\$470,060,000

Estimated \$332 per weighted pupil

Elem. 1.158 \$384.46

H.S. 1.268 \$420.98

# Questions??

