

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

FY 2015 through FY 2024 est

JLBC Staff
8/9/2023

All Funding 1/

Source/ Item	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 est	FY 2024 est
Equalization Formula Only <u>2/</u>										
(state & local)	5,837,228,913	6,155,131,994	6,274,669,815	6,399,412,608	6,978,486,695	7,468,041,000	7,626,636,900	7,869,367,000	8,773,143,600	9,431,995,900
Funding per Student	5,381	5,619	5,695	5,769	6,271	6,680	7,013	7,097	7,900	8,462
Inflation Adjusted Funding per Student	5,381	5,516	5,536	5,551	5,922	6,160	6,353	6,346	6,761	6,767
State Only <u>3/</u>										
(equalization + non-formula, SFB, and misc)	4,551,774,113	4,961,232,679	5,069,186,265	5,333,439,100	5,887,268,989	6,462,650,700	6,506,824,400	7,215,354,400	8,401,621,000	9,100,447,400
Funding per Student	4,196	4,529	4,601	4,808	5,290	5,781	5,983	6,507	7,566	8,164
Inflation Adjusted Funding per Student	4,196	4,446	4,472	4,626	4,996	5,331	5,421	5,819	6,475	6,530
State & Local Only <u>4/</u>										
(equalization + non-formula, SFB, and misc)	8,628,028,400	8,975,568,600	8,999,792,900	9,450,532,900	10,274,200,600	10,846,508,600	10,683,901,100	11,817,241,300	12,829,813,400	13,611,673,800
Funding per Student	7,954	8,194	8,169	8,519	9,232	9,702	9,825	10,657	11,554	12,211
Inflation Adjusted Funding per Student	7,954	8,043	7,940	8,197	8,718	8,947	8,900	9,530	9,888	9,766
State, Local and Federal <u>5/</u>										
(equalization + non-formula, SFB, and misc)	9,897,557,500	10,277,520,400	10,307,279,100	10,761,460,400	11,671,589,100	12,240,545,900	12,903,498,100	14,561,771,300	15,574,343,400	16,356,203,800
Funding per Student	9,124	9,382	9,356	9,701	10,488	10,949	11,866	13,132	14,025	14,673
Inflation Adjusted Funding per Student	9,124	9,210	9,093	9,335	9,904	10,097	10,749	11,743	12,003	11,736
Technical Assumptions:										
ADM Pupil Count	1,084,796	1,095,430	1,101,691	1,109,368	1,112,885	1,117,970	1,087,465	1,108,868	1,110,459	1,114,677
Inflation Adjustment Factor <u>6/</u>	1.000	0.982	0.972	0.962	0.944	0.922	0.906	0.894	0.856	0.800
Inflation Rate	1.8%	1.9%	1.0%	1.0%	1.9%	2.4%	1.8%	1.3%	4.5%	7.0%

Source/ Item	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 est	FY 2024 est
Equalization Formula Only DETAIL										
General Fund	3,344,869,413	3,469,735,594	3,538,072,915	3,597,183,200	4,066,093,300	4,457,116,100	4,366,341,800	4,724,093,100	5,829,394,400	6,348,311,000
Permanent State School Fund	46,475,500	219,440,500	219,804,200	235,339,100	277,115,300	290,489,100	300,555,000	309,482,500	328,895,600	342,797,300
QTR	2,078,049,100	2,096,191,500	2,139,905,700	2,185,859,010	2,248,075,283	2,326,504,700	2,365,955,900	2,442,580,900	2,529,473,100	2,590,507,100
SETR	281,554,400	283,483,900	290,606,500	294,750,798	300,922,312	307,650,600	314,866,500	322,786,700	0	0
Education Sales Tax	86,280,500	86,280,500	86,280,500	86,280,500	86,280,500	86,280,500	86,280,500	135,423,800	150,380,500	150,380,500
Equalization total	5,837,228,913	6,155,131,994	6,274,669,815	6,399,412,608	6,978,486,695	7,468,041,000	7,433,999,700	7,934,367,000	8,838,143,600	9,431,995,900
Adjustments: <u>7/</u>										
Rollover <u>8/</u>	-	-	-	-	-	-	-	(65,000,000)	(65,000,000)	-
Distance Learning <u>9/</u>	-	-	-	-	-	-	192,637,200	-	-	-
Equalization total - adjusted	5,837,228,913	6,155,131,994	6,274,669,815	6,399,412,608	6,978,486,695	7,468,041,000	7,626,636,900	7,869,367,000	8,773,143,600	9,431,995,900

State Only DETAIL

ADE - Basic State Aid (BSA) (w/o land trust & ESA	3,344,869,413	3,469,735,594	3,538,072,915	3,597,183,200	4,066,093,300	4,457,116,100	4,366,341,800	4,724,093,100	5,829,394,400	6,348,311,000
ADE - Additional State Aid (ASA) <u>10/</u>	359,909,200	377,979,585	402,088,103	410,546,000	415,725,400	426,944,900	444,211,400	460,630,300	491,967,900	511,613,100
ADE - Other Formula programs	33,448,100	32,293,500	32,470,172	71,550,500	64,189,564	104,629,200	104,629,200	104,629,200	105,613,100	37,013,100
ADE - Non-Formula programs	44,336,300	41,034,200	49,932,534	58,830,000	66,515,725	76,060,000	94,566,400	101,474,900	182,147,000	215,895,900
ADE - Administration	8,264,800	8,236,300	8,905,100	8,956,800	8,660,600	8,806,100	9,236,700	8,495,700	8,782,100	23,774,200
ADE - BSA - Permanent State School Fund	46,475,500	219,440,500	219,804,200	235,339,100	277,115,300	290,489,100	300,555,000	309,482,500	328,895,600	342,797,300
ADOA - K-12 Transportation Grants	-	-	-	-	-	-	-	10,000,000	20,000,000	15,000,000
ADOA - SFD - New School Facilities (NSF)	858,200	2,249,600	24,253,200	87,008,400	49,636,700	112,602,500	58,786,800	171,654,000	113,119,100	144,454,400
ADOA - SFD - NSF Debt Service	160,739,300	171,109,400	170,006,600	169,761,700	134,287,300	131,870,500	67,177,800	9,938,100	9,938,100	9,938,100
ADOA - SFD - Building Renewal Grants	15,128,600	31,667,900	31,667,900	43,835,800	76,085,800	107,458,800	146,259,000	200,617,000	199,967,900	199,967,900
ADOA - SFD - Public School Credit Enhancement	-	23,900,000	500,000	-	-	-	-	-	-	-
ADOA - SFD - Other	1,629,600	1,451,100	1,461,900	1,634,800	1,607,700	1,577,300	1,540,400	1,671,400	1,647,100	2,653,400
Classroom Site Fund	389,287,000	434,123,400	442,466,241	518,674,500	576,654,100	591,313,600	569,686,400	962,508,400	945,032,200	1,018,912,500
Education Sales Tax - Other	102,780,500	102,780,500	102,780,500	102,780,500	102,780,500	102,780,500	102,780,500	151,923,800	166,880,500	166,880,500
Instructional Improvement Fund	44,047,600	45,231,100	44,776,900	27,337,800	47,917,000	51,002,100	48,415,800	63,236,000	63,236,000	63,236,000
State total	4,551,774,113	4,961,232,679	5,069,186,265	5,333,439,100	5,887,268,989	6,462,650,700	6,314,187,200	7,280,354,400	8,466,621,000	9,100,447,400
Adjustments: <u>7/</u>										
Rollover <u>8/</u>	-	-	-	-	-	-	-	(65,000,000)	(65,000,000)	-
Distance Learning Adjustment <u>9/</u>	-	-	-	-	-	-	192,637,200	-	-	-
State total - adjusted	4,551,774,113	4,961,232,679	5,069,186,265	5,333,439,100	5,887,268,989	6,462,650,700	6,506,824,400	7,215,354,400	8,401,621,000	9,100,447,400

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- 1/ 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.
- 2/ Includes all state and local monies that help fund the Basic State Aid formula, including Additional Teacher Salary Increase monies and State Aid Supplement funding, but excluding ESA funding. Figures have been adjusted to account for temporary factors that would distort long-term trends.
- 3/ Includes all state monies (GF, land trust, Education Sales Tax and miscellaneous) used by ADE and the Arizona Department of Administration's School Facilities Division (ADOA-SFD) 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. Figures have been adjusted to account for the impact of temporary factors that otherwise would distort long-term trends.
- 4/ 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 2023 and FY 2024 are not yet available. We assume that local funds decline by (3.8)% in FY 2023 and grow by 1.9% in FY 2024. The FY 2023 decline is primarily associated with the elimination of the State Equalization Tax Rate (SETR) pursuant to Laws 2022, Chapter 317.
- 5/ Includes all "Local," "County," "State" and "Federal" monies reported to be received (not expended) by school districts and charter schools in the Superintendent's Annual Financial Report (SAFR) for each year shown. Data on actual federal monies for FY 2023 and FY 2024 are not yet available. The table assumes that districts and charters continue to receive \$2.74 billion in federal funds annually in FY 2023 and FY 2024 based on their actual federal funds received for FY 2022. The \$2.74 billion is \$1.34 billion above pre-pandemic levels (FY 2019) in each year. ESSER monies will continue to be available to districts and charters through September 30, 2024. As a result, federal monies received may continue to exceed pre-pandemic levels until at least that time.
- 6/ "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 2024 are CY 2022 actuals).
- 7/ To offset the impact of temporary factors that otherwise would distort long-term trends.
- 8/ A positive number offsets the effects of a K-12 rollover for a fiscal year. The negative FY 2022, and FY 2023 numbers offset the impact of the one-time rollover "paybacks" that occurred during those years.
- 9/ Executive Order 2020-51 authorized school districts to operate Distance Learning programs during the 2020-2021 school year as a result of the COVID-19 pandemic. The order stipulated that such programs be treated as Arizona Online Instruction (AOI) Programs for the purposes of Basic State Aid calculations, which resulted in a one-time (5)% reduction in Base Level funding for students enrolled in such programs.
- 10/ 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.