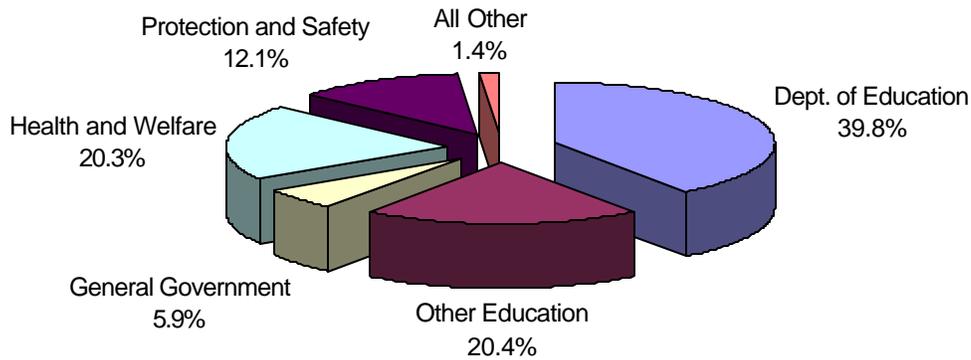


STATE FUNDING FOR EDUCATION

The general fund appropriation for the State of Arizona in 1999-00 was \$6,011,936,500. The total for all education including the Board of Regents and Community colleges was \$3,304,468,400 or 54.97 percent of the total appropriation. The Department of Education was appropriated \$2,393,892,000 or 39.82 percent of the total. The graph below shows the percentage appropriated for other governmental functions. The majority of the general fund appropriation to the Department of Education is paid in basic and additional state aid to local school districts and charter schools.

SUMMARY OF APPROPRIATED FUNDS BY AGENCY FY 00 - GENERAL FUND ONLY



Total revenues available to school districts in 1990-91 through 1999-2000 and the percentage by source are indicated on Table 1. For fiscal year 1990, the Total Revenues included Maintenance and Operation, Capital Outlay, Adjacent Ways and Debt Service Funds only. For fiscal years 1991 through 1999, the Total Revenues also include School Plant, State and Federal Projects, Building Renewal, Deficiencies Correction and New Schools Facilities funds. In FY 2000 Total Revenues include Soft Capital Outlay in addition to the funds included in the previous year.

Table 1

PERCENT OF REVENUE BY YEAR BY SOURCE

<u>Fiscal Year</u>	<u>Total Revenues</u>	<u>Percent Federal</u>	<u>Percent State</u>	<u>Percent County</u>	<u>Percent Intermediate</u>	<u>Percent Local</u>
1990-91	2,826,107,000	6.50%	45.60%	3.90%		44.00%
1991-92	3,021,949,000	6.50%	45.30%	3.80%		44.40%
1992-93	3,151,501,000	6.30%	44.60%	4.70%		44.40%
1993-94	3,290,684,000	7.00%	44.80%	3.90%		44.30%
1994-95	3,486,916,000	7.00%	47.80%	3.30%		41.90%
1995-96 District	3,808,086,499	7.00%	47.20%	3.10%		42.60%
1995-96 Charter School	35,495,925	2.60%	96.90%	0.00%		0.50%
1995-96 Total	3,843,582,424	7.00%	47.70%	3.10%		42.20%
1996-97 District	3,974,660,831	7.20%	48.10%	3.10%		41.60%
1996-97 Dist Charter Schools	11,523,428	0.80%	44.00%	0.00%	2.80%	52.40%
1996-97 Board Charter School	65,945,215	5.50%	88.10%	0.00%	2.90%	3.50%
1996-97 Total	4,052,129,474	7.20%	48.80%	3.00%		41.00%
1997-98 District	4,286,437,065	8.13%	46.97%	3.00%		41.89%
1997-98 Dist Charter Schools ¹	18,812,464	45.42%	0.23%	0.00%	0.00%	54.36%
1997-98 Board Charter School	104,015,724	9.67%	83.45%	0.00%	1.45%	5.42%
1997-98 Total	4,409,265,253	8.33%	47.64%	2.92%	0.03%	41.08%
1998-99 District	4,991,796,831	7.67%	44.34%	2.68%		45.31%
1998-99 Dist Charter Schools ¹	15,831,861	5.11%	26.32%	0.00%	0.00%	68.57%
1998-99 Board Charter School	149,173,733	4.32%	84.22%	0.00%	0.35%	11.11%
1998-99 Total	5,156,802,425	7.57%	45.43%	2.59%	0.01%	44.39%
1999-00 District	5,264,801,274	8.56%	47.15%	2.70%		41.59%
1999-00 Dist Charter Schools ¹	30,248,324	7.17%	6.00%	0.00%	0.05%	86.78%
1999-00 Board Charter School	163,337,837	6.30%	86.72%	0.00%	0.25%	6.73%
1999-00 Total	5,458,387,435	8.48%	48.11%	2.60%	0.01%	40.80%

¹ Percentages of revenue by source are calculated based on information reported by district sponsored charter schools on their Annual Financial Report. A significant number of district-sponsored charter schools did not submit an Annual Financial Report for FY 1999-00. The Arizona Department of Education paid over \$18 million in state equalization assistance to districts for their sponsored schools in FY 1998-99, and approximately \$57 million in FY 1999-00. The resulting payments are currently reported by district-sponsored charter schools as local revenues or state revenues.

EXPENDITURE HISTORY

The total expenditures for maintenance and operation (M & O) for 1999-00 were \$3,614,186,133. This represents an increase of 5.6% over 1998-99 M & O expenditures. This increase is primarily due to increases in total student growth (see Table 3).

Table 2

<u>Fiscal Year</u>	<u>M & O Expenditures</u>	<u>Increase</u>	<u>Percent Increase</u>
1990-91	2,194,313,206	156,437,790	7.7%
1991-92	2,299,091,982	104,778,776	4.8%
1992-93	2,406,909,457	107,817,475	4.7%
1993-94	2,501,593,469	94,684,012	3.9%
1994-95	2,683,636,261	182,042,792	7.3%
1995-96 District	2,809,326,388		
1995-96 Charter School	26,941,583		
1995-96 Total	2,836,267,971	152,631,710	5.7%
1996-97 District	2,937,822,908	128,496,520	4.6%
1996-97 Dist Charter Schools	9,518,730		
1996-97 Board Charter Schools	53,576,580	26,634,997	98.8%
1996-97 Total	3,000,918,218	164,650,247	5.8%
1997-98 District	3,094,999,196	157,176,288	5.0%
1997-98 Dist Charter Schools	8,414,704	(1,104,026)	(11.6%)
1997-98 Board Charter Schools	83,293,546	29,716,966	35.7%
1997-98 Total	3,186,707,446	185,789,228	5.8%
1998-99 District	3,270,266,920	175,267,724	4.8%
1998-99 Dist Charter Schools	11,602,230	3,187,526	37.9%
1998-99 Board Charter Schools	131,383,056	48,089,510	57.7%
1998-99 Total	3,413,252,206	226,544,760	7.1%
1999-00 District	3,451,437,075	181,170,155	5.3%
1999-00 Dist Charter Schools	16,963,898	5,361,668	31.6%
1999-00 Board Charter Schools	145,785,160	14,402,104	9.9%
1999-00 Total	3,614,186,133	200,933,927	5.6%

The graph below shows the rate of increase of M & O expenditures.

MAINTENANCE & OPERATION EXPENDITURES FY 90-91 TO FY 99-00

