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**State Budget/Legislative Update  
and  
Classroom Site Fund (Prop 301) Details**

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# State Budget Update – Option I

Item	Amount to District
<b>Inflation for Trans. and Charter School Additional Assistance</b>	\$8.4 Million
<b>Common Core Implementation</b> <ul style="list-style-type: none"><li>•\$40 Million District Allocation</li><li>•\$20 Million SFB for Technology</li><li>•\$1.5 Million Professional Development</li></ul>	\$40 Million
<b>Performance Funding</b> <ul style="list-style-type: none"><li>•New Money \$36.2 Million</li><li>•Reallocated Dollars \$18.1 Million</li></ul>	\$36.2 Million
	<b>\$84.6 Million</b>

# State Budget Update – Option II

Item	Amount to District
<b>Fund Base Level for Inflation</b>	\$82 Million

# Legislative Update

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- HB 2170 Stopped School Buses; Lights  
(chapter 71)
- HB 2156 Elections; Public Resources Prohibited  
(chapter 88)
- HB 2581/Now HB 2237
  - Overrides; RCL; Kindergarten Students
- HB 2196 Promotion Certificates; 8<sup>th</sup> Grade

# Legislative Update

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- HB 2318 Schools without Federal Funding; Exemption
- HB 2476 Schools: Isolation Rooms, Restrictions (Chapter 29E)
- HB 2488 200 Day School Calendar, Funding (Dead but budget hope)
- HB 2425 ELL Task Force Replacement (Chapter 20)
  - Additional SBE Testing Modifications

# Legislative Update

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- HB 2617 School Tuition Organizations; Preapproval; Entities
- HB 2499 JTEDs; Per Pupil Funding Calculation
- HB 2202 School District; Leases (Chapter 91)
- SB 1293 Schools; Outcome-Based Funding; Simulated Pilot (Signed)
- SB 1325 Concealed Firearms; Schools; Authorization
  - (Fewer than 600 students and more than 30 minutes and 20 miles from law enforcement facility)

# Classroom Site Fund

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**Proposition 301 Passed November 2000  
General Election**

\$.6 cent education sales tax

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Any K-12 Trust Land Revenues  
that exceed \$72.3 million

# **Dollar Amount x Weighted Student Count**

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**Elementary x 1.158**

**High School x 1.268**

**Small Schools/Charter Schools  
Less than 600 (Adjustment for Isolation)**

**Increase up to 1.399 Elementary**

**Increase up to 1.559 High School**



# How Did it Change?

- By March 30<sup>th</sup> Joint Legislative Budget Committee shall determine a per pupil amount for the budget year.....
- New language, “Adjusted for any prior year carry forward or shortfall” FY2011 First Year for Implementation

# Classroom Site Fund Prior to FY2011

Year	Budget Capacity	Total Available	Difference
FY2002	\$272.42	\$272.15	<\$0.27>
FY2003	\$239.47	\$239.32	<\$0.15>
FY2004	\$230.00	\$230.17	0.17
FY2005	\$242.00	\$242.02	0.02
FY2006	\$353.00	\$320.46	<\$32.54>
FY2007	\$333.00	\$333.06	\$0.06
FY2008	\$401.00	\$397.29	<\$3.71>
FY2009	\$390.00	\$259.45	<\$130.55>
FY2010	\$244.00	\$209.70	<\$34.30>

# Classroom Site Fund/ FY2011-FY2013

Year	Budget Capacity	Total Available	Difference
FY2011	\$120.00	\$194.01	\$74.01
FY2012	\$120.00	\$242.00	\$122.00
FY2013	\$227.00	\$257.00	\$30.00
FY2014	\$310.00	\$310.00	

# Estimated Impact FY2014

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- Estimated Revenue \$ 310
- Estimated Adjustment \$0

# Budget Limit – Classroom Site Fund

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## **FY 2014**

- Allocation from ARS 15-979 (per weighted student) \$ per weighted student
- Unexpended budget balance from FY2013
- The net interest earned during FY2013

# Prop 301 Revenues FY 2014

SFB Debt Service	\$56.2 million
Universities, Community Colleges and Tribal Assistance	\$80.5 million
Additional School Days	\$86.3 million
School Safety Character Education, Accountability Measures, SAIS, Failing Schools Tutoring Fund	\$16.5 million
Income Tax Credit for Sales Tax Paid	\$25.0 million
Total	\$264.5 million

Remainder goes to Classroom Site Fund

# FY 2014 Estimate

Sales Tax	\$588.9 million
Less Other Than Classroom Site Fund	\$264.5 million
Classroom Site Fund	\$324.4 million
Prior Year Carryover	\$40.0 million
Endowment Earnings	\$39.5 million
Total	\$403.9 million

# SB1263 Supplanting/ Classroom Site Fund

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- Additional teacher compensation money from sources other than Classroom Site Fund for FY2012.
- Not considered supplanting for FY2013 calculation.
- FY2014 Gone



# Prop 301 Inflation Adjustment

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- 2% Per Year
- % Change In GDP Price Deflator  
whichever is less
- Increase base level or other components of  
the Revenue Control Limit

# Big Difference From Little or 1.8% Inflation

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- Increase pupil transportation and additional assistance only
  - \$8,372,600 for FY 2014
- Increase base level
  - Additional \$81,680,800 for FY 2014
- Total \$90,053,400

# Prior to FY 2011

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- Base level, pupil transportation, and additional assistance for charters were increased

# Inflation Adjustment to Base Level

Year	Inflation	Increase
FY 2011	0.9%	0
FY 2012	1.3%	0
FY 2013	2.0%	0
FY 2014	1.8%	0 ?

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# Supreme Court Review

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Questions?