

# Advocacy and Support Update

## August 2015 Association Update

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# ADVOCACY TOUR

 Arizona Charter Schools Association

## Objectives:

- Engage charter leaders throughout the state to understand their concerns; address with appropriate agencies
- Develop an advocacy agenda for the upcoming legislative session that incorporates charter leaders concerns

# Advocacy Tour Update

- 2015 Advocacy Tour Kick-off:
  - August 19<sup>th</sup> in Yuma
  - Tour will cover nearly every corner of the state- including Flagstaff, Prescott, Lake Havasu City, Tucson and sites within Maricopa County
- These regional meetings will be held on charter school campuses in an effort to foster relationships between charter leaders.
- These events are open to all Association members, including charter school leaders, staff and board members- including State Board members!
- Registration is available online:  
<http://form.jotformpro.com/form/51586354373966>

# Classrooms First Initiative Council

- Governor Ducey wants to overhaul Arizona's K-12 finance system, which has not been overhauled since 1980.
- Preliminary recommendations September 2015 & final recommendations December 2015
- The Association and the Center For Student Achievement are consultants to the Governor's Council and the Equitable Funding Structure Working Group
  - Current meeting dates:
    - August 27
    - September 10 and 22
    - October 8 and 29
    - November 19
    - December 2



# HOW ARE ARIZONA PUBLIC SCHOOLS FUNDED?

Technically, Arizona does not fund schools, nor does it fund students. Instead, the state provides funding to local school districts and independent charter holders that, in turn, distribute resources to their school sites. This graphic shows the various sources of revenue that fund our public schools. Core Funding is, for the most part, equitably provided to districts and charters. Supplemental Funding varies for each individual district or charter and is unreliable as the amounts can vary every year.

Each revenue source (circle) is shown relative to the size of all sources of funding. The shades of colors within each circle represent the proportion of each funding component.

## CORE FUNDING

### BASE AMOUNT

This is the starting point of the equalization formula, theoretically the same for every student in the state. The base amount is higher for almost all districts, since nearly all have the *Teacher Compensation 1.25%*.

*Provided to all, amount varies*

### Funding based on TEACHERS

#### TEACHER COMPENSATION 1.25%

To fund districts with approved teacher evaluation systems

#### TEACHER EXPERIENCE INDEX

To fund teacher compensation

*Provided to some districts, amount varies, not available to charters*



## EQUALIZATION FORMULA

*Provided to all, amount varies*

The state equalization formula provides for the basic instructional and operational functions of schools. The amount of funding a district or charter receives is based on its size, the grade levels served, number of students with special education or language needs, and teacher characteristics (districts only). Charter schools' core funding comes entirely from the state general fund whereas districts' core funding comes from both the state general fund and local property taxes. A portion of these property taxes are directed by the state and some are locally approved.

### Funding based on STUDENT CHARACTERISTICS

Also known as Group A and Group B weights, these additional funds allocated based on the number of students with special educational needs, including English Language Learners, as well as the size of the district or charter (if under 600 students), and the grade levels served (elementary vs. high school).

*Provided to all, amount varies*

### ADDITIONAL ASSISTANCE

Additional Assistance accounts for the largest difference in Core Funding between districts and charters.

#### CHARTER

Provides funds intended for:

- Transportation
- Technology and textbooks
- All capital needs, including school buildings

*Provided to all, amount varies*

#### DISTRICT

Provides funds intended for:

- Transportation
- Technology and textbooks

## SUPPLEMENTAL FUNDING



Additional levies on the

### LOCAL PROPERTY TAX

#### ■ ADJACENT WAYS

Funds are used to pay for expenses related to new construction, e.g., sale egress or ingress from schools, creation and improvements of bus and fire lanes, or improvements to adjacent roadways.

#### ■ DESEGREGATION

Provides funding to 19 school districts that are under a federal court order to rectify discriminatory practices

#### ■ DROPOUT PREVENTION

Funds activities in districts with high dropout rates to help keep students in schools.

*Provided to some districts, amount varies; not available to charters*



Revenue sources for

### SCHOOL BUILDINGS

Funds are allocated from the state general fund to the School Facilities Board for new school building construction, building renewal, and debt service.

*Available to some districts, amount varies; not available to charters*



Additional property tax revenues based on

### LOCAL ELECTIONS

#### ■ BONDS

Used for building school facilities

#### ■ M & O OVERRIDES

Used to pay for teachers

#### ■ CAPITAL OVERRIDES

Used for textbooks and technology

#### ■ K-3 OVERRIDES

Fund early elementary education  
*Provided to some districts, amount varies; not available to charters*



### Revenue from FEDERAL DOLLARS

Targeted programs such as Title I, Individuals with Disabilities Education Act, National School Lunch Program, and competitive grants.

*Outside the state's control; Provided to nearly all, amount varies*



Revenue from

### PROPOSITIONS/ VOTER INITIATIVES

### CLASSROOM SITE FUND/ INSTRUCTIONAL IMPROVEMENT FUND

Helps fund teacher compensation, teacher performance pay, dropout prevention  
*Provided to all, equal amount*



Revenue from

### STATE GRANTS

Targeted programs such as the Structured English Immersion Fund and K-3 Reading.

*Provided to some, amount varies*



Revenue from

### TAX CREDITS

### TAXPAYER DONATIONS

Private citizens may donate up to \$200 as an individual or \$400 as a couple to a school and deduct it from their taxes. Funds are used for student activities and extra curriculars.

*Provided to some, amount varies*

# Current K-12 Student Funding Formula

- The state formula provides for basic instructional and operational functions of schools.
  - Funding is based on size, number of students (with special needs and language minorities) and teacher characteristics.
- Charter student funding comes entirely from the state's general fund
- District student funding comes diverse sources including the general fund, local property taxes, bonds and overrides
- Online and JTED students funded differently

# Core Funding- Equalization Formula

- Base Amount- Provided to all, amount varies
- Student Characteristics
  - Group A and B weights, provided to all, amount varies
- Additional Assistance
  - Charter: All capital needs; transportation, technology and textbooks
  - District: transportation, technology and textbooks

## **DISTRICT ONLY: Not Available to Charters**

- Teacher Experience: provided to some districts, amount varies,
- Teacher Compensation: to districts with approved evaluation systems

# Supplemental Funding

## **District Only: Not Available to Charters**

- Local Property Tax- additional levies provided to some districts, amounts vary
- School Buildings- School Facilities Board funds provided to some districts, amounts varied
- Local Elections- bonds and overrides (K-3, M&O and Capital) available to some districts, amounts vary

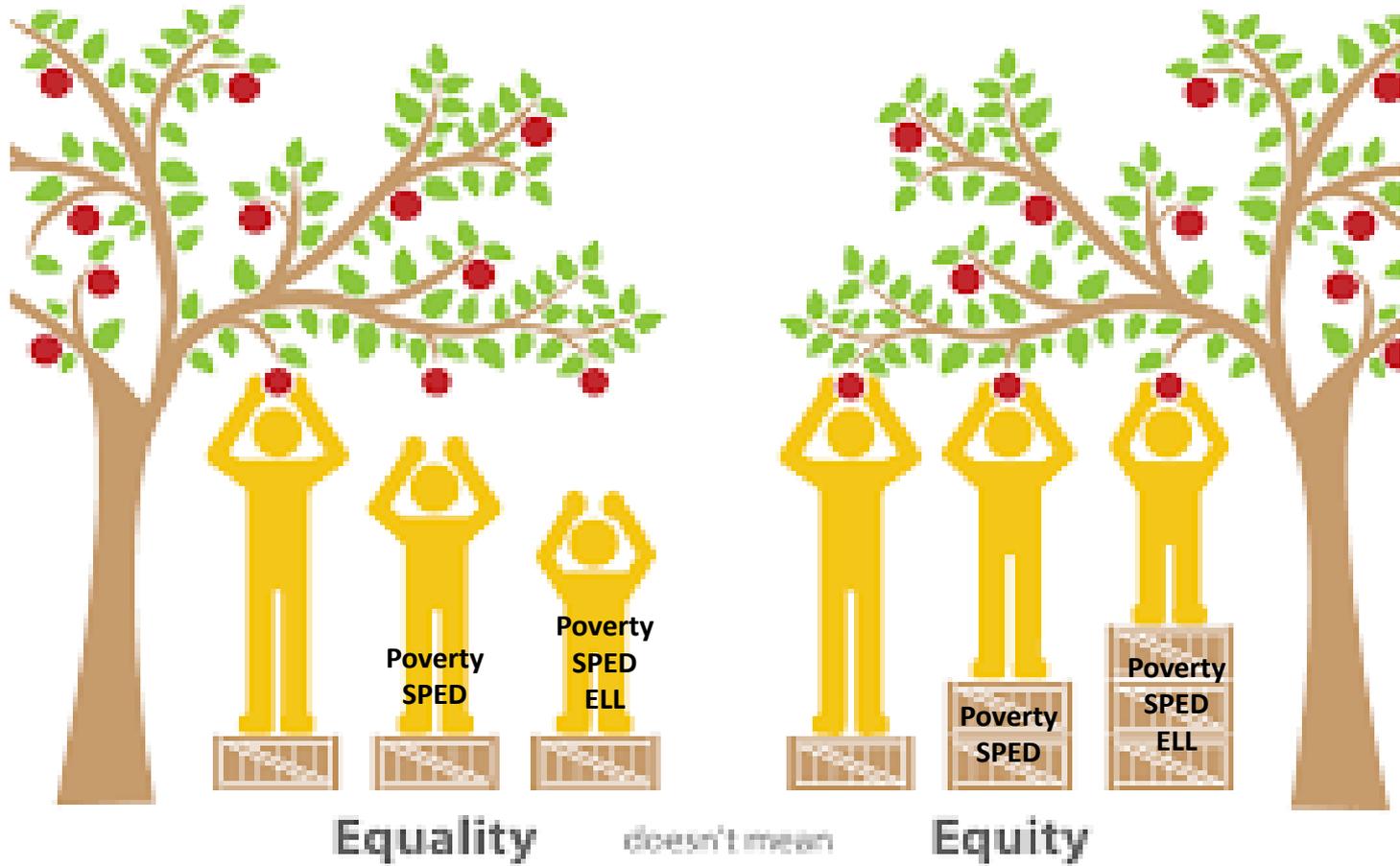
## **Available to All Students**

- Propositions/Voter Initiatives-all public students receive equal amount

# Public Student Supplemental Funding

- State Grants- provided to some, amounts vary
- Tax Credits- individual contributions to some, amounts vary
- Federal Funding- outside of the state's control (except for FY16 decrease in Title 1 funding), provided to nearly all, amounts vary

# Goal: Equitable Funding Structure



# Student Equity Question

- Arizona's base level funding contains monies for special education that are equally distributed (regardless of special education enrollment) among all students, adding \$548.19 per child for elementary students and \$364.30 for high school students.
- Whether these dollars should be equitably (based on need) or equally distributed will be a topic of discussion during the CFIC and the legislature.

# Questions?