

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

FY 2018 through FY 2027 est

JLBC Staff  
10/15/2026

All Funding 1/

| Source/ Item                                                                         | FY 2018        | FY 2019        | FY 2020        | FY 2021        | FY 2022        | FY 2023        | FY 2024        | FY 2025        | FY 2026 est    | FY 2027 est    |
|--------------------------------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Equalization Formula Only <u>2/</u></b><br>(state & local)                        | 6,399,412,600  | 6,978,486,700  | 7,468,041,000  | 7,626,636,900  | 7,869,367,000  | 8,750,792,503  | 9,335,245,700  | 9,231,279,100  | 9,379,056,200  | 9,443,828,100  |
| Funding per Student                                                                  | 5,769          | 6,271          | 6,680          | 7,013          | 7,111          | 7,890          | 8,497          | 8,462          | 8,804          | 9,003          |
| Inflation Adjusted Funding per Student                                               | 5,769          | 6,160          | 6,416          | 6,626          | 6,630          | 7,035          | 7,073          | 6,792          | 6,896          | 6,857          |
|                                                                                      |                |                |                |                |                |                |                |                |                |                |
| <b>State Only <u>3/</u></b><br>(equalization, non-formula, SFD, misc.)               | 5,333,439,100  | 5,885,199,089  | 6,462,650,700  | 6,506,824,400  | 7,215,354,400  | 8,293,207,603  | 8,988,668,200  | 8,781,977,200  | 8,984,283,300  | 8,991,713,300  |
| Funding per Student                                                                  | 4,808          | 5,288          | 5,781          | 5,983          | 6,520          | 7,477          | 8,182          | 8,050          | 8,434          | 8,572          |
| Inflation Adjusted Funding per Student                                               | 4,808          | 5,195          | 5,552          | 5,653          | 6,079          | 6,667          | 6,811          | 6,462          | 6,606          | 6,529          |
|                                                                                      |                |                |                |                |                |                |                |                |                |                |
| <b>State &amp; Local Only <u>4/</u></b><br>(equalization, non-formula, SFD, misc.)   | 9,450,532,900  | 10,274,200,600 | 10,846,508,600 | 10,683,901,100 | 11,817,241,300 | 13,045,800,600 | 14,005,128,300 | 14,164,690,200 | 14,592,569,600 | 14,835,026,000 |
| Funding per Student                                                                  | 8,519          | 9,232          | 9,702          | 9,825          | 10,679         | 11,762         | 12,748         | 12,984         | 13,698         | 14,142         |
| Inflation Adjusted Funding per Student                                               | 8,519          | 9,070          | 9,318          | 9,282          | 9,956          | 10,487         | 10,611         | 10,422         | 10,729         | 10,772         |
|                                                                                      |                |                |                |                |                |                |                |                |                |                |
| <b>State, Local and Federal <u>5/</u></b><br>(equalization, non-formula, SFD, misc.) | 10,761,460,400 | 11,671,589,100 | 12,240,545,900 | 12,903,498,100 | 14,561,771,300 | 15,875,977,700 | 16,821,789,300 | 16,450,508,100 | 16,118,387,500 | 16,360,843,900 |
| Funding per Student                                                                  | 9,701          | 10,488         | 10,949         | 11,866         | 13,159         | 14,314         | 15,312         | 15,079         | 15,131         | 15,597         |
| Inflation Adjusted Funding per Student                                               | 9,701          | 10,303         | 10,515         | 11,211         | 12,268         | 12,762         | 12,746         | 12,104         | 11,851         | 11,880         |
|                                                                                      |                |                |                |                |                |                |                |                |                |                |
| <u>Technical Assumptions:</u>                                                        |                |                |                |                |                |                |                |                |                |                |
| ADM Pupil Count                                                                      | 1,109,368      | 1,112,885      | 1,117,970      | 1,087,465      | 1,106,579      | 1,109,113      | 1,098,600      | 1,090,928      | 1,065,287      | 1,048,971      |
| Inflation Adjustment Factor <u>6/</u>                                                | 1.000          | 0.982          | 0.960          | 0.945          | 0.932          | 0.892          | 0.832          | 0.803          | 0.783          | 0.762          |
| Inflation Rate                                                                       | 1.0%           | 1.8%           | 2.3%           | 1.7%           | 1.3%           | 4.6%           | 7.1%           | 3.7%           | 2.5%           | 2.8%           |

| Source/ Item                                 | FY 2018       | FY 2019       | FY 2020       | FY 2021       | FY 2022       | FY 2023       | FY 2024       | FY 2025       | FY 2026 est   | FY 2027 est   |
|----------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Equalization Formula Only DETAIL</b>      |               |               |               |               |               |               |               |               |               |               |
| General Fund                                 | 3,597,183,200 | 4,066,093,300 | 4,457,116,100 | 4,366,341,800 | 4,724,093,100 | 5,806,943,803 | 6,259,959,900 | 6,156,166,100 | 6,460,796,200 | 6,457,766,700 |
| Permanent State School Fund                  | 235,339,100   | 277,115,300   | 290,489,100   | 300,555,000   | 309,482,500   | 328,895,600   | 342,797,300   | 357,889,000   | 72,263,000    | 80,226,500    |
| QTR                                          | 2,185,859,000 | 2,248,075,300 | 2,326,504,700 | 2,365,955,900 | 2,442,580,900 | 2,529,572,600 | 2,582,108,000 | 2,636,285,100 | 2,695,616,500 | 2,755,454,400 |
| SETR                                         | 294,750,800   | 300,922,300   | 307,650,600   | 314,866,500   | 322,786,700   | -             | -             | -             | -             | -             |
| Education Sales Tax                          | 86,280,500    | 86,280,500    | 86,280,500    | 86,280,500    | 135,423,800   | 150,380,500   | 150,380,500   | 150,380,500   | 150,380,500   | 150,380,500   |
| Equalization total                           | 6,399,412,600 | 6,978,486,700 | 7,468,041,000 | 7,433,999,700 | 7,934,367,000 | 8,815,792,503 | 9,335,245,700 | 9,300,720,700 | 9,379,056,200 | 9,443,828,100 |
| Adjustments: <u>7/</u>                       |               |               |               |               |               |               |               |               |               |               |
| Property Tax Litigation <u>8/</u>            | -             | -             | -             | -             | -             | -             | -             | (69,441,600)  | -             | -             |
| Rollover <u>9/</u>                           | -             | -             | -             | -             | (65,000,000)  | (65,000,000)  | -             | -             | -             | -             |
| Distance Learning <u>10/</u>                 | -             | -             | -             | 192,637,200   | -             | -             | -             | -             | -             | -             |
| Equalization total - Adjusted                | 6,399,412,600 | 6,978,486,700 | 7,468,041,000 | 7,626,636,900 | 7,869,367,000 | 8,750,792,503 | 9,335,245,700 | 9,231,279,100 | 9,379,056,200 | 9,443,828,100 |
| .....                                        |               |               |               |               |               |               |               |               |               |               |
| <b>State Only DETAIL</b>                     |               |               |               |               |               |               |               |               |               |               |
| ADE - Basic State Aid (w/o land trust & ESA) | 3,597,183,200 | 4,066,093,300 | 4,457,116,100 | 4,366,341,800 | 4,724,093,100 | 5,806,943,803 | 6,259,959,900 | 6,156,166,100 | 6,460,796,200 | 6,457,766,700 |
| ADE - BSA - Permanent State School Fund      | 235,339,100   | 277,115,300   | 290,489,100   | 300,555,000   | 309,482,500   | 328,895,600   | 342,797,300   | 357,889,000   | 72,263,000    | 80,226,500    |
| ADE - Additional State Aid (ASA)             | 410,546,000   | 413,655,500   | 426,944,900   | 444,211,400   | 460,630,300   | 491,967,900   | 503,198,500   | 512,649,800   | 529,375,600   | 551,969,500   |
| ADE - Other Formula programs                 | 71,550,500    | 64,189,564    | 104,629,200   | 104,629,200   | 104,629,200   | 104,629,200   | 36,029,200    | 36,029,200    | 36,029,200    | 36,029,200    |
| ADE - Non-Formula programs                   | 58,830,000    | 66,515,725    | 76,060,000    | 94,566,400    | 101,474,900   | 115,584,500   | 172,972,000   | 157,874,500   | 170,083,700   | 155,287,700   |
| ADE - Administration                         | 8,956,800     | 8,660,600     | 8,806,100     | 9,236,700     | 8,495,700     | 9,228,600     | 21,587,700    | 13,339,600    | 13,740,600    | 14,060,500    |
| ADOA - K-12 Transportation Grants            | -             | -             | -             | -             | 10,000,000    | 20,000,000    | 15,000,000    | -             | -             | -             |
| ADOA - SFD - New School Facilities (NSF)     | 87,008,400    | 49,636,700    | 112,602,500   | 58,786,800    | 171,654,000   | 113,119,100   | 144,454,400   | 109,388,100   | 140,674,800   | 106,872,800   |
| ADOA - SFD - NSF Debt Service                | 169,761,700   | 134,287,300   | 131,870,500   | 67,177,800    | 9,938,100     | 9,938,100     | 9,938,100     | 9,938,100     | 9,938,100     | 9,938,100     |
| ADOA - SFD - Building Renewal Grants         | 43,835,800    | 76,085,800    | 107,458,800   | 146,259,000   | 200,617,000   | 199,967,900   | 199,967,900   | 199,967,900   | 199,967,900   | 199,967,900   |
| ADOA - SFD - Other                           | 1,634,800     | 1,607,700     | 1,577,300     | 1,540,400     | 1,671,400     | 1,633,700     | 1,722,900     | 1,624,700     | 2,374,700     | 2,334,100     |
| Classroom Site Fund                          | 518,674,500   | 576,654,100   | 591,313,600   | 569,686,400   | 962,508,400   | 947,936,000   | 1,014,405,000 | 1,049,245,600 | 1,101,733,300 | 1,129,954,100 |
| Education Sales Tax - Other                  | 102,780,500   | 102,780,500   | 102,780,500   | 102,780,500   | 151,923,800   | 166,880,500   | 166,880,500   | 166,880,500   | 166,880,500   | 166,880,500   |
| Instructional Improvement Fund               | 27,337,800    | 47,917,000    | 51,002,100    | 48,415,800    | 63,236,000    | 41,482,700    | 99,754,800    | 80,425,700    | 80,425,700    | 80,425,700    |
| State Total                                  | 5,333,439,100 | 5,885,199,089 | 6,462,650,700 | 6,314,187,200 | 7,280,354,400 | 8,358,207,603 | 8,988,668,200 | 8,851,418,800 | 8,984,283,300 | 8,991,713,300 |
| Adjustments: <u>7/</u>                       |               |               |               |               |               |               |               |               |               |               |
| Property Tax Litigation <u>8/</u>            | -             | -             | -             | -             | -             | -             | -             | (69,441,600)  | -             | -             |
| Rollover <u>9/</u>                           | -             | -             | -             | -             | (65,000,000)  | (65,000,000)  | -             | -             | -             | -             |
| Distance Learning <u>10/</u>                 | -             | -             | -             | 192,637,200   | -             | -             | -             | -             | -             | -             |
| State Total - Adjusted                       | 5,333,439,100 | 5,885,199,089 | 6,462,650,700 | 6,506,824,400 | 7,215,354,400 | 8,293,207,603 | 8,988,668,200 | 8,781,977,200 | 8,984,283,300 | 8,991,713,300 |

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- 1/ Includes all funding reported in "Revenues Received by Source" tables in the Superintendent's Annual Financial Report (SAFR). The report includes 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 and state projects, food service, self-insurance, gifts and donations, auxiliary operations, and extracurricular activities.
- 2/ Includes all state and local monies that 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 otherwise distort long-term trends.
- 3/ Includes all state monies (GF, land trust, Education Sales Tax, and other miscellaneous sources) 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 temporary factors that would otherwise distort long-term trends.
- 4/ Includes all state, county, and local (but not federal) monies reported by school districts and charter schools in the SAFR for each year shown. Data on actual local funding for FY 2026 and FY 2027 are not yet available. We assume that local funds increase by 4.19% in FY 2026 and FY 2027 based on the 5-year average rate of change in local-only funding between FY 2020 and FY 2025.
- 5/ Includes all state, county, local, and federal monies reported to be received (not expended) by school districts and charter schools in the SAFR for each year shown. Data on actual federal monies for FY 2026 and FY 2027 are not yet available. The table assumes that districts and charters receive \$1.53 billion in federal funds annually in each of FY 2026 and FY 2027. These figures assume that federal ESSER monies for districts and charters would decline from \$760 million in FY 2025 to \$0 in FY 2026 based on previous ADE estimates of remaining ESSER balances as well as federal expenditure deadlines.
- 6/ "Inflation Adjustment Factor" represents cumulative inflation, whereas the "Inflation Rate" is above prior year only. Both reflect the GDP Price Deflator for the second preceding calendar year, pursuant to A.R.S. § 15-901.01 (e.g., rates applying to FY 2027 are CY 2025 actuals).
- 7/ To offset the impact of temporary factors that would otherwise distort long-term trends.
- 8/ The decision in the class action lawsuit *Qasimyar v. Maricopa County* directed the Maricopa County Assessor to recalculate Limited Property Values (LPV) for Class 3 and Class 4 property in the county retroactively from TY 2015 - TY 2023. As a result, school districts were required to refund any property taxes collected in excess of what the recalculated LPV would have allowed. Pursuant to A.R.S. § 15-915(B), districts could request that the state retroactively pay the portion of the equalization base for each affected year that would have been paid with state resources had the revised LPVs been in place at the time of payment.
- 9/ The negative FY 2022 and FY 2023 values offset the impact of one-time rollover "paybacks" that occurred in each of these years.
- 10/ 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.