Public Education Budget Overview
Understanding Local & State Perspectives

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Public Education Budget –
What is it? Interpretation Differs Depending on Viewpoint

- The Big Picture
  - All-inclusive Statewide Educational System
  - Mix of Funding Sources
  - Levels of Decision Making

- Local Based View
  - Direct Operation of Schools
  - Local Boards, Superintendents & Directors
  - State Viewed as Revenue Source

- State Based View
  - System Administration & Support
  - Primary Revenue Provider
  - Legislature, State Board of Education, Governor
  - LEAs Viewed as Expenditure
  - Most Expenditures Made by Local Boards
Public Education Budget – The Big Picture: School Districts, Charter Schools, & State Education Agencies

FY 2016
$5.7 Billion

School Districts, Charter Schools, & State Education Agencies

Budget Relationships – Total State Budget Compared to State Appropriated Budget

Total Education Budget
$5.7 Billion

Charter Schools
School Districts

Local Sources
(Property Taxes, Tuition, Fees, Sales)

State Sources
(Education Fund, Uniform School Fund, Restricted - Liquor Tax, Trust Lands)

Other State Sources
(Dedicated Credits, Mineral Lease, Transfers)

Federal Sources
(Grants, Formula Allocations)

Other Local Sources
(Bonds, Transfers, Sales, Leases)

Minimum School Program
State Board of Education Agencies

School Building Program
State Appropriated Budget
$4.6 Billion

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Public Education Budget – Local Based View
As Reported by School Districts & Charter Schools

- Includes
  - Funding Appropriated in the State Budget & Passed-through to LEAs
  - Additional Local Revenues
- Budgets Determined by Local Governing Boards
- Revenues & Expenditures Reported Annually
- LEA Data Reports
  - Annual Financial Report
  - Annual Program Report

- Annual Financial Report
  - Total Revenues & Expenditures
  - Based on U.S. Department of Education Chart of Accounts
  - Comparability Across States
    - Different Than State Budget Categories
  - Independent Annual Audit
- Annual Program Report
  - Data by Major Program
  - Detail on State Restricted Programs

Local Based View – Revenue Summary: School Districts & Charter Schools

FY 2016
$5,567,036,900

Excludes State Agencies

- State, $2,942,927,500, 53%
- Federal (Direct Local), $41,693,017, 1%
- Federal (State Budget), $455,008,700, 8%
- Local, $1,421,116,300, 25%
- Local (State Budget), $747,984,400, 13%
Local Based View – Expenditure Summary: School Districts & Charter Schools
FY 2016
$5,934,409,100
Excludes State Agencies

Public Education Budget – State Based View
State Appropriated Budget & Financial Reporting

- Includes
  - Legislative Appropriations
  - State-Level Administration & Support
  - Pass-Through to Locals – State & Federal Funding
  - Certain Local Property Tax Revenue Sources

- Budget Determined by Legislature & Approved by Governor
- Reported Multiple Times Annually
  - Appropriations Report
  - Compendium of Budget Information
  - Comprehensive Annual Finance Report (CAFR) – Produced by Division of Finance
State Based View:
Public Education by Major Source

FY 2017
$4,598,110,700

State – General, Education, & Uniform School Funds

State Restricted – Minimum Basic Growth Account, Liquor Tax, School Trust

Local – Property Tax Revenue Factored into State Formulas (Revenue Stays w/District)

State Based View:
Public Education by Major Area

FY 2017
$4,598,110,700
State Based View:
Public Education by Major Expenditure Category
FY 2017
$4,598,110,700

Other Charges/Pass Through – Funding Sent to School Districts & Charter Schools

State Based View:
Minimum School Program Expenditure Flexibility
FY 2017
$3,844,895,400
Budget History: Appropriations Compared to Fall Enrollment

FY 2017
Total - $4,598,110,700
State - $3,163,343,200

Enrollment – 644,476
Public Education Budget –
State Budget Perspectives

- State Board of Education is the Largest Recipient of Funding
  - 30% of Total Budget
  - 50% of State Fund Budget

- State Fund appropriations to Minimum School Program
  - 20% of Total Budget
  - 48% of State Fund Budget

- Students
  - Fall 2016 – 644,476
    - 851 More than Projected
  - Fall 2017 (Est.) – 654,565
    - Increase of 10,089 | 1.57%

State Budget: Allocation by Area of Expenditure
FY 2017
$15,118,472,000

$15.1 billion

- Public Education: 34%
- Higher Education: 30%
- Social Services: 8%
- Capital Facilities: 7%
- Debt Service: 5%
- Transportation: 3%
- General Gov’t: 1%
- Law Enforcement: 1%
State Budget:
State Revenue
Sources Only - Allocation by Area of Expenditure
FY 2017 General & Education Funds
$6,418,413,000

Public Education Appropriations Subcommittee 1/23/2017
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State Budget:
State Revenue Sources Only - Allocation by Area of Expenditure
FY 2017 General & Education Funds
$6,418,413,000

Public Education Budget –
FY 2018 Base Budget

- Includes FY 2017 Ongoing Appropriations
  - Less One-time Funding Items
  - Some Non-State Fund Changes
- All Reviewed by Subcommittee