

# District Budget and You

## Background for Mesa School Employees



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Our members have told us that school finance issues are confusing (and distressing), and many of you have requested that the Association provide background information on these topics. These bulletins will be our attempt to clarify matters.

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**Beyond the Basics.** Last time we reported that Arizona school finance is basically a dollars-per-student system. If enrollment goes down, the district gets less funding; if state support per student (the base level) goes down, the district gets less funding. Beyond that, there are many other ways that the state provides financial support to school districts. Of course, that means that there are also many ways that the state can *reduce* funding for school districts. Faced with a huge budget shortfall, the state legislature will be looking for ways to cut.

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**Career Ladder.** Mesa School District will receive over \$20 million for the Career Ladder Program this school year. Of that money, almost \$16 million goes directly to teachers in individual and optional incentive payments. Over 1,900 Mesa teachers are on the Career Ladder Program and receive annual stipends ranging from \$1,500 to \$4,125. Some of the money goes for incentives to classified employees. Around 3% of the money is used to administer the program.

The legislature may decide that this is something they can cut. One problem is that many school districts never got in on the program in the first place. They are unable to do so now, and they view Career Ladder as an unfair disadvantage for districts like Mesa. Here's the deal: if the Career Ladder program is eliminated, the money won't be provided somewhere else – *it will just go away*. A lot of Mesa teachers and staff will take a hard financial hit.

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**Question:** If the district is having such a budget problem, why are they remodeling school facilities? **Answer:** That work is paid for with district bond money or state school facilities money – which can only be spent for that purpose.

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**Budget Transparency.** In the old days many school districts made it very difficult to “find the money.” That simply hasn't been the case with the Mesa Meet-and-Confer process. MEA and MESPA committees meet with district financial officers to work through the financial data. The budget documents themselves are available on-line for all the world to see.

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**The Truth.** In case you were wondering, the Mesa Bank Building doesn't have a basement. And there aren't any secret bags of money. Never have been.

**On the back – Facts about Budget & Finance**



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## Facts about the Mesa School District Budget 2008-2009

Total Maintenance & Operations Fund (M&O)	\$433,129,954
Classroom Site Fund (Prop. 301 money)	42,438,092
Instructional Improvement Fund (Indian Gaming money)	10,875,000
Federal Projects money	50,270,691
Budget Override revenue	35,693,580

\* This data is from AZ Dept. of Education, Aggregate Expenditure Report, Fiscal Year 2009

### Terms used in Arizona School Finance: a small sample

- ADM:** Average Daily Membership – the way we count students in order to calculate state support per student.
- BSL:** Base Support Level – the arbitrary dollar amount that the Legislature provides to school districts per student.
- CSF:** Classroom Site Fund – money for schools approved by voters back in 2000 when they passed Prop. 301. Most of the money goes to teacher compensation.
- M&O:** Maintenance and Operations Fund – the major part of the district’s budget, which basically pays for maintaining and operating the schools, including teachers’ salaries and benefits.
- NCLB:** No Child Left Behind – the more recent political name for the old Elementary and Secondary Education Act, which provides – among other things – federal dollars for schools.
- TEI:** Teacher Experience Index – a provision in Arizona school finance which provides additional money if the teachers in a school district, on average, have more experience than the state’s average teacher experience.

