

The Daily Courier

State mum on sources of school finances



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Even though Arizona is 50th in the nation for spending on education, the Arizona Department of Education does not tell local school districts where their money comes from.

The state tells each school district only the amount of money it can spend for the year. However, this lack of information has caused confusion among district financial directors, superintendents, and even teachers and classified staff.

"If we get a dollar, we don't know the source of that dollar," said Yavapai County Superintendent of Schools Tim Carter.

Yavapai County Treasurer Ross Jacobs confirmed this, saying, "From what I've seen in school funding, very few people actually understand how the school funding works."



The issue came to the surface when The Daily Courier began researching a follow-up article about the 50-percent increase in Arizona Endowment distributions for education. However, all the financial directors for the area's three main districts did not know what the endowment was, nor where the money fit in their schools' budgets.

Arizona State Treasurer Dean Martin said during a phone interview the endowment money mixes with Proposition 301 sales tax money into a pool of cash called the Classroom Site Fund.

Yet finance directors and district superintendents did not know the endowment was a source of revenue for the Classroom Site Fund - until a reporter clarified this information - because the state never provided the details.

This lack of communication causes a problem, because in a state where spending for education falls last in the nation, school finance directors and superintendents are not on the same page as the state Legislature and the Arizona Department of Education.

"I think it's only fair the state provide where the money comes from," said [Prescott Unified School District](#) Superintendent Kevin Kapp. "If the Arizona Department of Education can break it down, it should be told to us. Full disclosure, public money."

Kapp believes if the state does not conduct a breakdown already, someone should. "I think it would help everyone, school officials and the general public, to have an appreciation of how funding for education works," he said.

In addition, Carter said if school districts have that information, they can give their employees more details, thus building trust between teachers and administrators.

Vickie Salazar, associate superintendent of business and finance for the Arizona Department of Education, said the state's accounting sector keeps track of the sources Arizona uses to pay for education. However, the school finance sector sends out the school districts' bulk payments for yearly budgets first, and then meets with the accounting department to create a breakdown afterward.

Salazar said if local districts want their own copy of the revenue source breakdown, ADE could send one out easily - even though it would be after school districts create their budgets.

"If this will help districts have a better understanding of finances, we would be glad to start something," she said, adding she could begin as early as this year.

ADE would send out a form letter to the different counties around the state, explaining what they received from Arizona endowment earnings and what came from the general fund, Salazar continued.

Out of Arizona's five bordering states, Utah is the only one that does not provide its local school districts with their sources of revenue. Colorado, New Mexico, Nevada, and California all provide their local finance directors with a breakdown.

Both California and Nevada have laws requiring their states to provide school districts with this information. Tina Jung, the information officer for the California Department of Education, said her state posts the breakdown online.

"People deserve to know how their tax dollars are being spent, and we're happy to comply," she said.

Both Kapp and Carter said Arizona uses numerous sources to generate revenue to pay for education. Carter said most of those dollars from various sources mix together and end up in one general fund, which makes tracking the money more difficult.

"I would love to see a more simplified school funding system. However, that's easier said than done," Carter said.

Link to the article:

<http://www.dcourier.com/main.asp?Search=1&ArticleID=44665&SectionID=1&SubSectionID=101&S=1>