

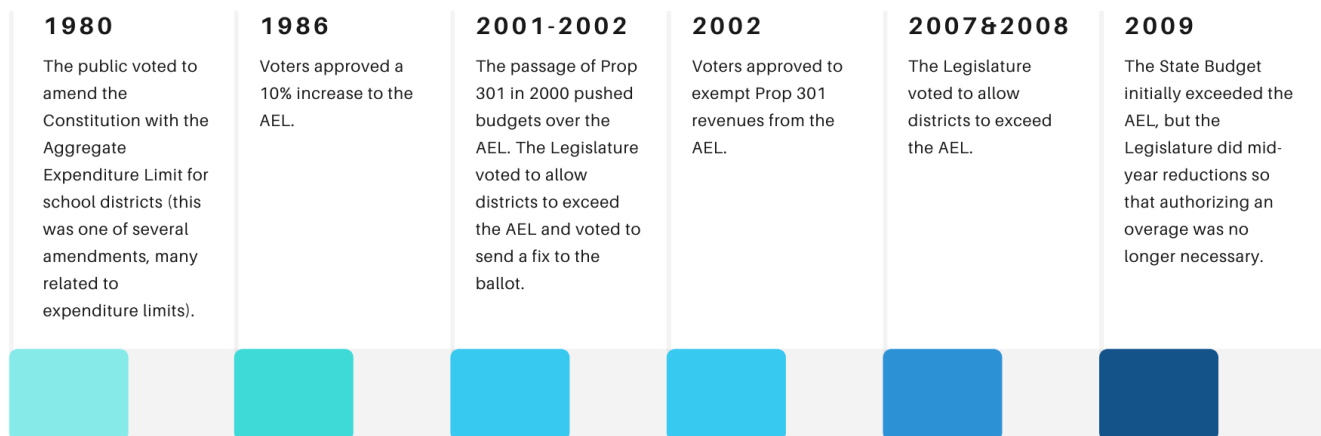
Aggregate Expenditure Limit (AEL) Fact Sheet

You can find our source material [here](#) and [here](#).

Background: School districts will exceed the Constitutional AEL by over \$1.24 Billion for FY2022.

HISTORY OF

the Aggregate Expenditure Limit



Why is this happening? Here are some reasons:

- Voter approval expired in FY2022 for Prop 301. This funding (over \$600 million) was previously exempt. It no longer is.
 - The legislature authorized a new twenty year extension of the Classroom Site Fund in 2018. They did not get voter authorization to exempt these dollars from the AEL.
- The student counts utilized for the FY2022 district budgets are based on FY2022, BUT the AEL uses the student count from FY2021.
- The AEL limit calculation is required by law to use unweighted student counts, while district budgets use weighted student counts. "Weighted" reflects the mix of students like English Language Learners, Special Education, etc.
- District Additional Assistance totals \$423.9 million in FY2022 and count toward the limit.
- Other points to note:
 - Charter schools are not affected.
 - The Districts have known about this for over 12 months, prior to the 21/22 budget process. The AZ Department of Education began sounding the alarm in January 2021.
 - A 2/3 vote of the Legislature can override the AEL, but it must be done by March 1, 2022.
 - Prop 208 is also in play. If you are curious how, please see the Joint Legislative Budget Committee (JLBC) report (linked above).

If you want to see the impact to individual districts, click on [this link](#) and follow the instructions to pull up the reports for your district.