

88th Legislative Updates to School Funding

School Funding Components

Most funding is allocated to school systems based on needs, using weighted per-pupil funding formulas. These formulas allocate resources to schools for various purposes. The largest allocation addresses the ongoing operating costs of schools, known as Maintenance and Operations (M&O) funding.⁷ In addition, the subset of public schools that are Independent School Districts can raise property taxes to cover debt service related to building construction in an allocation known as Interest and Sinking (I&S) funds. Lastly, federal funding, along with other state grants and fees, contribute to the financial support of schools. M&O funding is made up of a variety of allotments⁷, with only about half of M&O funding coming from the Basic Allotment.

