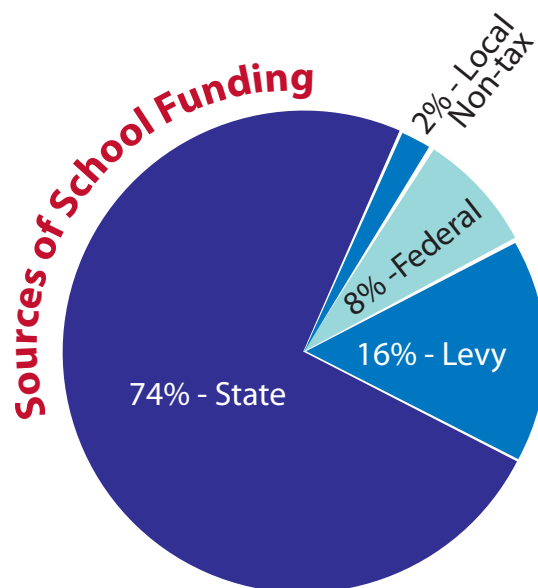


School Finance 101: How Your Schools are Funded

Thanks to voter support of the 2008 replacement levy, NTPS was able to maintain quality staff, along with programs like special education, athletics and the arts which the community has come to value. Unfortunately, keeping cuts away from the classroom will be continually more difficult due to unfunded mandates by the state and declining revenues. It is anticipated that the state's March economic forecast could mean state cuts up to \$8 billion, which could translate to a potential \$5 million in reductions for our district's 2009-10 school year budget. The district has already taken steps to be fiscally conservative in spending for the rest of this year, implementing a hiring freeze and travel restrictions.



Answers to your Budget Questions

Where has the District made budget reductions in the past?

The District has reduced expenses or increased fees in virtually every area of the budget. Most significant areas of reduction have been administrative, transportation and other non-teaching positions.

Isn't the Federal Government giving the District money for Education through the stimulus package?

The District will be getting funding - but at this time we haven't been told how much and what strings are attached. The State will also be using some of the school funding to offset some of their other budget cuts. If some funding is provided that allows us to offset some reductions, the Board will be notified through the budget process.

How does the District monitor its expenses and its financial condition?

District staff provide the Board a financial report monthly. These reports provide an overview of expenses and revenue, cash position, fund balance and enrollment. Each year the District is audited and the most recent report indicated that the District is managing its funds well. Auditors did find that the year end fund balance was too low.

What steps has the district already taken to save money this year?

In November, the District implemented a hiring freeze for non-mandatory positions, and significantly cut equipment and out of state travel. In addition, budget managers were asked to slow spending due to a change in state funding dates.

Why doesn't the District just ask voters for a larger levy?

Most public school districts are limited to a maximum amount of 24% of their state allocated budget.

Why does it seem that the District is always cutting the budget, even after the public approves a levy?

The State reduces its funding that it provides for vital services, but we have no way to increase levy funding to offset the state reductions - forcing us to reduce staff costs which account for 85% of our total budget.

Where does the school district get its money for operations?

Nearly 73% of our education funding comes from the State. Federal grants - tied to specific programs provides another 7% of our funding. Local sources including the levy and school lunch revenue make up the other 20% of our revenue.

Your Voice Counts
www.nthurston.k12.wa.us/budget

NTPS Budget Town Meetings
April 14 & 16 @ 6:30 p.m. and April 17 @ noon
District Office - 305 College St NE, Lacey
360-412-4418