WCSD Explained: Funding

FINANCIAL SNAPSHOT

It is a major undertaking to run a school district, especially one the size of the Washoe County School District. With more than 63,000 students and 7,400 employees, the WCSD operates a multi-million dollar budget. Total revenues for the 2009-10 school year were $605.9 million. Total expenses were $586.1 million.

WCSD is committed to maintaining a high level of fiscal responsibility that supports student learning. In fact, WCSD’s high-performing and well-respected Finance Department has received major national and statewide recognitions for excellence in financial reporting and management.

WHERE DOES THE MONEY COME FROM AND WHERE DOES THE MONEY GO?

School district funding is complex. The WCSD’s budget is really many separate budgets. Each fund has an individual purpose with separate responsibilities. Unlike personal checking and savings accounts where you can transfer the money between each account, the school district does not have the same flexibility. The money in each budget account is restricted and can be used only on the identified areas. WCSD receives funding from different sources depending on the specific budget.

General Fund Revenues by Major Source: 2009-10

Total: $412,465,485

These various budgets are used to pay salaries and benefits for employees, buy textbooks, computers and supplies, transport children to and from school, pay utility bills, feed children breakfast and lunch and maintain buildings and grounds. They are used to train teachers and other staff, provide special programs like English as a Second Language classes, special education, pre-school program and occupational and technical education. The funding is also used to renovate older schools, build new ones, and improve the District’s infrastructure for technology.

HERE IS A BREAKDOWN OF EACH FUND:

**General Fund** – Monies from local, state and federal governments are used for general operating expenses such as salaries and benefits, utilities, supplies and equipment. Local revenue sources traditionally make up a majority of the general fund, with the largest local revenue source from sales tax; local property taxes also make a large portion of the budget.

**Capital Project Fund** – These are voter-approved bond funds which are restricted to capital projects such as the construction of new schools and the revitalization of older schools. By state law, bond funds cannot be used for operating expenses.

**Special Revenue Fund** – These are grant funds that are restricted to the specific purpose of the grant, such as Title I (Support for high-poverty schools), II (Teacher and Principal Professional Development) and III (English as a Second Language), special education, class size reduction, and full-day kindergarten.

**Debt Service Fund** – The law requires the school district to maintain this restricted fund to repay debt, such as bonds and leases. School district debt property taxes and Board approved transfers for debt repayments of bus and equipment leases make up this fund.

**Enterprise Fund** – These funds, which come from student meal fees, federal food commodities and federal reimbursements for lower income families, can only be used for nutrition services.

**Internal Service Fund** – WCSD is self-insured for health insurance, workers’ compensation and property/casualty insurance. The money in this fund must be used for these claims. Employee and employer health insurance premiums, employer workers’ compensation experience charges and school district charges for property and casualty coverage make up this fund.
THE GENERAL FUND

WCSD is often asked how the money in the general fund is spent.

Without doubt, the vast majority of general fund money goes directly to the children in the school district. An analysis of the budget shows 73 cents of every dollar go toward instruction and instructional support, with the remainder going toward such things as facility upkeep, business services, planning, information technology and school administration (principals, assistant principals and related staff.) Contrary to popular belief, just over 1% of WCSD’s budget is spent on school district management.

GRANT FUNDING

WCSD is also focused on maximizing alternative funding opportunities by seeking potential grants from federal, state, local and private sources. The funding through grants fits into the Special Revenue Fund and the money must be spent on the requirements of the grant. For example, much of the funding for our Title I schools is received through a formula grant from the federal government and is based on free and reduced lunch numbers at each Title I school. There are significant requirements and controls placed on grant funding and, as such, the money can only be used for those schools and programs for particular purposes identified in the grant application. During the 2009-10 school year, WCSD received more than $107 million dollars in grants from federal, state, local and private sources.