



**DIVERSE IN CULTURE:
UNIFIED IN MISSION**

BUDGET 101

Woodburn School District #103

- **History:** The first regular school house was erected in Woodburn in 1888. In 1891, an eight-room, hot-air furnace-heated education plant was erected on the site of the first school house. This was the former “east-side” school which served as grade and high school and later as grade school until the building of the President Lincoln school in 1933. The District serves residents in a portion of Marion County, including all of the City of Woodburn. Covering approximately 35 square miles, the District is located approximately 12 miles north of Salem and 30 miles south of Portland. The District is surrounded by Champoeg Creek on the west, Pudding River on the east, and Sleepy Hollow Road on the North.

The Woodburn School District currently enrolls over 5,300 students in grades K-12

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- **Facilities:** Woodburn School District is comprised of four elementary schools, two middle schools, five high schools, and the Creative Learning Center.

Elementary Schools

Lincoln

Nellie Muir

Heritage

Washington

Middle Schools

French Prairie

Valor

High Schools

WAAST

WACA

WeBSS

AIS

Woodburn Success

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- **About Us**

- Woodburn School District is a multicultural educational school system with a diverse population. Woodburn is arguably the most culturally diverse little town in Oregon. Over fifty-percent of Woodburn residents are of Hispanic or Russian descent, and the Woodburn School District's 5,000+ student body reflects that diversity. Signs of three cultures abound in food, language, religion, music and dress. A primary thread of the school district's Mission and Strategic Plan is preparing students for a multi-lingual, multi-cultural world.

- **Mission**

- To engage, inspire, and prepare all students to achieve challenging goals and aspirations and contribute to a diverse world.

- **Core Values**

- Family is the strongest influence on the development of an individual.
- All people have equal inherent value.
- Giving back builds a strong community.
- Diversity is a strength.
- Mutual integrity, trust, and respect are essential for healthy relationships.
- Learning is the key to the well being and advancement of our world.
- People are accountable for their choices.

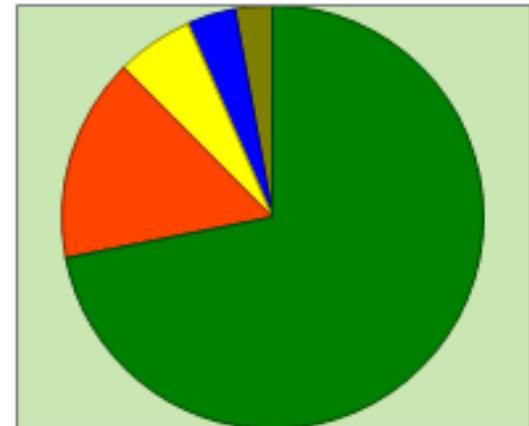
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- **Superintendent: David Bautista**

“Engage, inspire and prepare all students to achieve challenging goals and aspirations and contribute to a diverse world.” To do this we provide students opportunities to learn rigorous subject material & multiple languages, beginning in kindergarten.

- **Spending by Category**

-  Teaching & Student Resources: 71.9% \$40,876,280
-  Buses, Buildings & Food: 15.6% \$8,863,440
-  Principal’s Office: 5.9% \$3,341,814
-  Business Services & Technology: 3.7% \$2,117,744
-  Central Administration: 2.9% \$1,650,708



- **Academic Achievement**

Percentage of 11th grade students that met or exceeded the state standard on Oregon Statewide Assessments during the 2010-2011 school year.

Math Knowledge & Skills **District:** 69% **State:** 68%
Writing Knowledge & Skills **District:** 59% **State:** 68%

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- **Student Demographics**

Students Chronically Absent: **District** 18% **State:** 21%

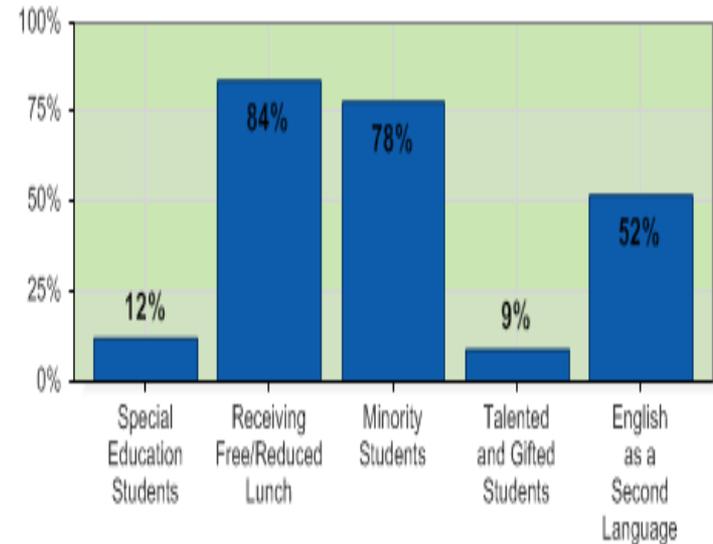
Special Education Students: 12% of all students

Receiving Free/Reduced Lunch: 84% of all students

Minority Students: 78% of all students

Talented & Gifted: 9% of all students

English as a Second Language: 52% of all students



- **District Message:**

Woodburn School District is unique in the state of Oregon. Of

Schools, 75% are Hispanic and 10% are of Russian heritage. Over 50% of our students possess a first language other than English. While this presents challenges, it has also created opportunities for all students to benefit from the cultural and language differences of our students. Almost 50% of our teachers and support staff are multilingual. This allows us to provide 2nd language opportunities for all students, beginning in kindergarten. This program mixes students who possess different language backgrounds (Spanish and English or Russian and English). Students are taught in both languages and learn from each other.

Community data on this page provided by the US Census Bureau - 2010; all other data provided by the Oregon Department of Education based on the 2010-2011 school year.

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• The Budget Process:

The budget process is defined in Oregon's Local Budget Law, ORS Chapter 294

- The School Board adopts a Budget Calendar and appoints a Budget Officer
- Administration prepares the proposed budget
- The Budget Committee meets to review and approve the proposed budget
- The Board holds a Budget Hearing for public comment
- The Board adopts the approved budget, makes appropriations, and categorizes and imposes taxes
- The budget is filed with the county assessor and the property tax levy is certified

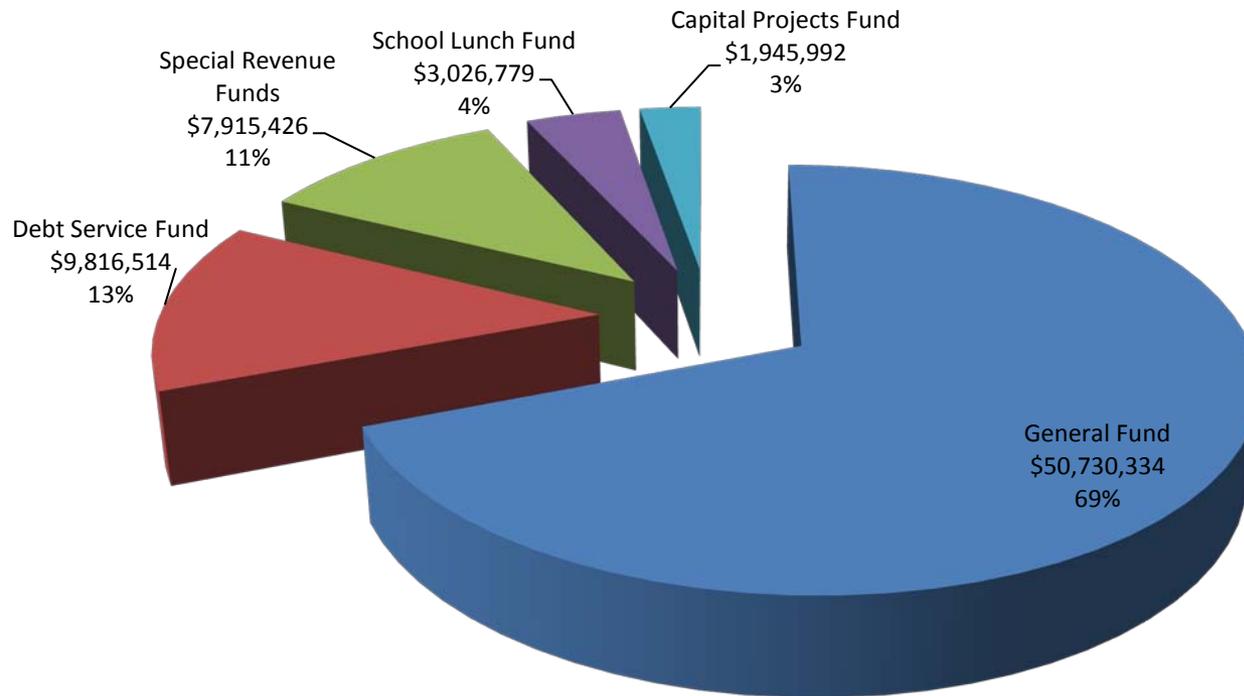
- Local Budget Law is designed to give the public ample opportunity to participate in the budget process.
- A budget is a financial plan containing estimates of revenues and expenditures for a single fiscal year, although the district can adopt a biennial budget.
- The budget controls the district's spending authority.

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• Our 2012-13 Adopted Budget

Each fall the Budget Committee meets to discuss guidelines to be used as a financial plan (blueprint) in the preparation of the proposed budget for the coming school year. The budget priorities the superintendent set in making recommendations for the 2012-13 budget were: to continue to support a comprehensive education for all students through sports, music, and other educational programs with the current funding; and to continue equity as a priority and open discussions for transparency as well as to articulate the rationale for such funding.

Below is the Adopted Budget (all accounts) for the 2012-13 school year:



Woodburn School District #103

- **General Fund**

Total in fund accounts for 2012-13: \$50,730,334

Our main operating budget, this fund pays for the instructional programs, daily operations of our schools, and general functions of our school district.

- **Special Revenue Funds - Restricted**

Total in Special Revenue funds for 2012-13: \$7,915,426

Special Revenue Funds account for the proceeds of specific revenue sources, such as Federal and State grants, that are legally restricted to expenditures for specified purposes.

- **Debt Service Funds – Restricted**

Total in Debt Service Funds for 2012-13: \$9,816,514

Debt Service Funds account for the accumulation of resources for payment of general long-term debt, principal and interest. The District issued bonds in 1995 which were for the new elementary and middle schools, and an addition to the high school.

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- **School Lunch Fund**

Total in School Lunch Funds for 2012-13: \$3,026,779

The School Lunch Fund accounts for all nutrition programs such as breakfast, lunch, and CACFP. The District has elected to be designated as a Provision 2 category by the USDA. Because of our high rate of free & reduced participation, this allows all children to receive free meals no matter what their designation is. We are then reimbursed using the base year percentage of free, reduced, and paid.

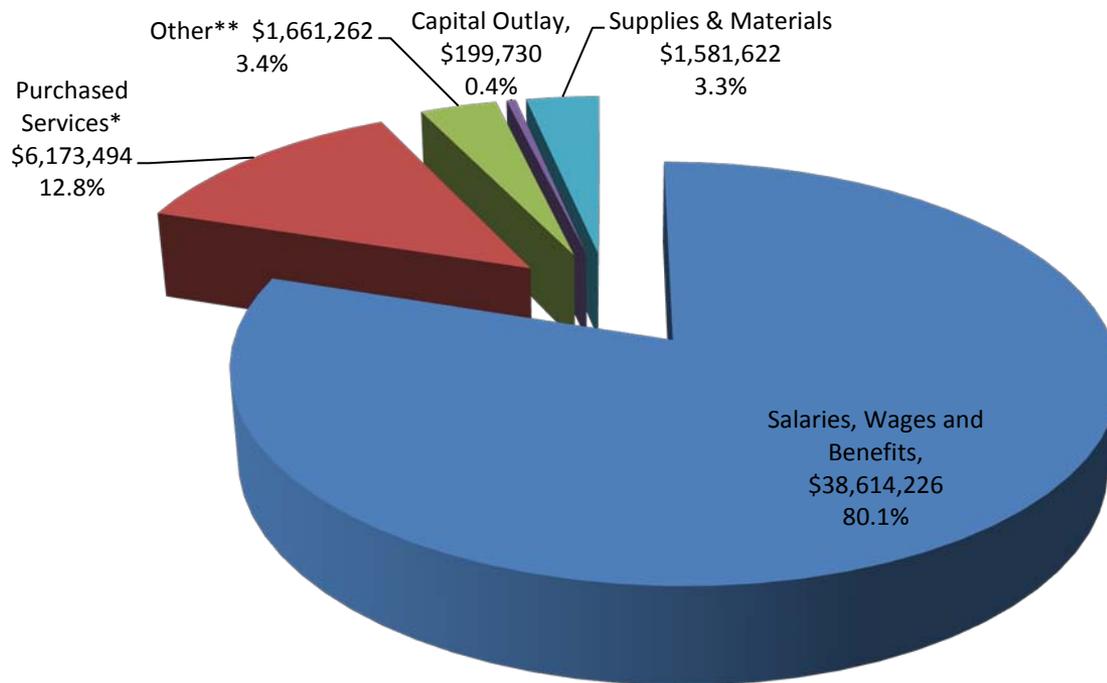
- **Capital Projects Fund**

Total in Capital Projects Fund in 2012-13: \$1,945,992

These funds pay to improve, acquire, or construct our facilities. The majority of these funds are in the Major Maintenance Reserve fund ,which is predominantly funded by a transfer from the General Fund.

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- **General Fund by Category:** The graph below shows how the 2012-13 General Fund was budgeted by specific categories such as: salaries, wages and benefits; supplies and materials; purchased services; capital outlay; and other. As the graph shows, salaries and benefits make up just over 80% of the general fund budget. The majority of those people are school staff such as teachers.

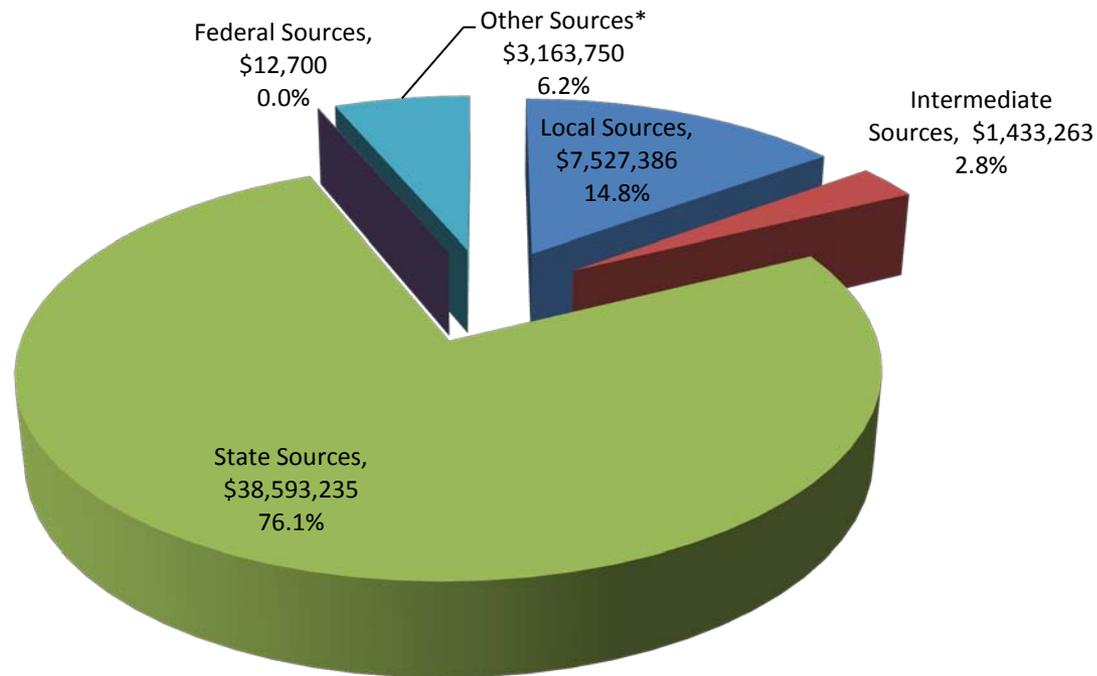


*Purchased Services includes: utilities, legal services, contracted work, and other services we don't provide and must purchase from outside

**Other includes: insurance, fees, and transfers from the General Fund to other district funds such as the Major Maintenance Reserve fund

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- **Where does our money come from?** The graph below illustrates where General Fund (operating budget) money comes from. The majority of our revenue is from the state school fund.



Because the state school fund formula includes offsets for various other revenues such as local property taxes and the common school fund, over 90% of new revenues received each year are controlled by the state legislature

*Other Sources is the Beginning Fund Balance

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- **School Formula Finance**

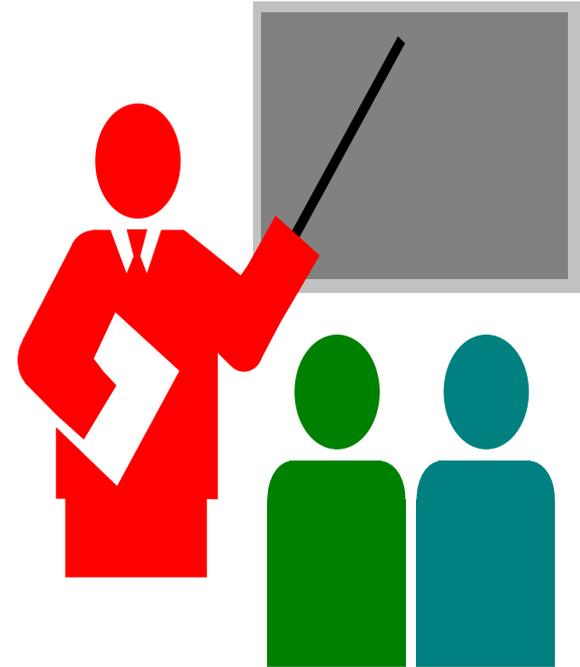
- **K-12 School District:** Oregon has 197 school districts serving about 561,000 students in K-12 (2010-11). These districts operate with relative autonomy within guidelines specified by both the Legislature and the Oregon Department of Education. The federal government also mandates certain programs.
- **Local Revenue:** School districts receive general operating revenue from various sources with property taxes being the primary local source. Local revenues are included as an offset to the state school fund formula. Other sources include the Common School Fund, Federal Forest Fees, and County School Fund.
- **State Support:** The State School Fund (SSF) provides about 67% of school formula operating revenue. This revenue is mostly from state income taxes and lottery revenue. The state's share of education funding increased from about 30% before Measure 5 (1990) to about 70% after Measure 50 (1997). State revenue replaced reduced local revenue because of these two property tax limitations. Along with increased state aid, the school fund distribution method for state support changed dramatically.
- **Equalization Formula:** In 1991 the Legislature adopted the SSF formula and phased in its implementation. The SSF equalization formula allocates an amount to each school district based primarily on number of students. The state grant is this formula amount reduced by local revenues. The formula equalizes revenues per student by removing past differentials caused by widely varying local tax rates and property wealth per student. To recognize that some students need more school services, the formula assigns weights to certain students. For example, special education students count as 2.0 students to recognize their need for special programs. There are additional weights for: ESL; students in pregnant/parenting programs; students in poverty; and students in foster care or neglected/delinquent. The grant per weighted student is adjusted for: teacher experience; 70% of transportation costs; costs over \$30,000 per high cost disability student; and up to 8% for classroom construction costs with a limit per biennium.

K-12 School Finance

An excellent Power Point presentation you can find a link to on COSA's website
<http://www.cosa.k12.or.us>

Welcome to Your State School Fund

Michael Elliott
State School Fund Coordinator
Oregon Department of Education



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By 2020, the end of this decade—by the time the children entering kindergarten this year graduate from high school—we should live in a state where our children are ready to learn before they get to school; where they have the resources and attention to learn and our teachers have the time and support to teach; where drop out rates are steadily falling and graduation rates are steadily rising; where all Oregon high school graduates are prepared to pursue a postsecondary education without remediation; and where 80 percent of them achieve at least two years of post-secondary education or training.”

-- Governor Kitzhaber, Inaugural Speech, January 10, 2011



• What the future might hold:

- For the 2011-13 biennium, the Legislature funded K-12 education at an adjusted total level of \$5.736 billion.
- It's still too early to set a goal for the State School Fund for 2013-15. We still have several more state Revenue Forecasts before anyone knows how much money is on the table to fund Oregon government and local schools. The current best estimate, if schools retain their previous share of the General Fund, is about \$6.35 billion. The Quality Education Commission has looked at funding needs and reset its target for school spending – to put the state school system on a trajectory to meet the ambitious 40/40/20 goal – at \$6.895 billion. Their 2010 report suggests that to fully fund education it would actually take \$8.76 billion.
- For 2012-13, Woodburn School District is estimated to receive about \$38 million in State School Fund Grant, which does not include Local Revenue or Transportation. If K-12 education is funded at \$6.35 billion, we could potentially see our State School Fund Grant go up to \$42 million in 13-14, or an increase of approximately \$4 million.
- We already know that our PERS rate will be going up on July 1, 2013 to a total of 32.7% of wages. That is an estimated increased cost of \$1.7 million. In 2013-14 we also need to plan for at least \$2 million in unappropriated ending fund balance.

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- **Frequently Asked Questions:**

- **Why can't we eliminate or reduce funds spent on Special Education?**

We, like all other public schools in the nation, serve the needs of many kinds of students. Special Education is a required service by both federal and state law and cannot be eliminated. The Individuals with Disabilities Education Act (IDEA) grant program requires schools districts, as a condition of receiving these federal funds, to meet "maintenance of effort." (MOE). This means that the total state and local general fund expenditures of a school district for the education of children with disabilities for any year must be at least equal to the amount spent in the most recent preceding fiscal year. For the 2010-11 audit year, our total was \$4,940,314 or \$7,508 per IEP and we must have spent at least that much in 2011-12. If we do not meet MOE, we must return general funds in the amount equal to the shortfall to ODE.

- **Why do we need a contingency fund and what is it used for?**

The Operating Contingency fund is a specific amount of money that is budgeted and set aside to provide for unforeseen costs of an unusual or extraordinary nature that could not be planned for when the budget was developed. Examples would include a major equipment failure (like a school's boiler) or a significant increase in fuel prices resulting from some external event. These funds are under the direct control fo the School board and cannot be used without their approval.

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- What is an ending fund balance and how is it used?

An ending fund balance is money left at the end of the school year. In the budget, it is an estimate of funds needed to maintain operations of the district from July 1 of the ensuing fiscal year and the time when sufficient new revenues become available to meet cash flow needs of the fund. No expenditures can be made from the unappropriated ending fund balance. An ending fund balance is important for the following reasons:

1. Over 90% of our General Fund revenue is through the State School Fund and used to pay for our operations and services. Payments from ODE fluctuate based on the economy. ODE provides us with estimates of how much these payments will be for the coming year. However, as payments are made, ODE adjusts them based on changes in factors that make up the funding. The payments could be less or more than estimated. Having an ending fund balance allows us to stabilize overall revenue in order to maintain instructional programs for students.
2. As a “rule of thumb” OSBA recommends boards maintain a minimum ending fund balance of 5%-8% of its General Fund resources. This is based upon an average-size district (ADM of about 6,000) and assumes that districts will be able to anticipate a fairly reliable level of funding each year. The Government Finance Officers Association (GFOA) recommends, at a minimum and for any size district, that governments maintain an unreserved (not earmarked for a specific purpose) ending fund balance of no less than 5%-15% of its general fund operating revenues, or of no less than one to two months of regular general fund operating expenditures. The more unpredictable your revenues and expenditures are, the more likely you will need to maintain a larger ending fund balance. Ending fund balance is not a sustainable source of revenue for a district, thus it is generally designed to address one-time expenditures. Once you draw those reserves down to cover lost revenue or to pay for ongoing expenditures, they are gone.
3. Funds left at the end of a school year can be rolled forward into the next school year as a revenue source. This is the carryover money, which in a time of unstable school funding has helped to stabilize programs and services – preventing a roller coaster ride of cuts and add backs.

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- **How to Contact Us:**

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