

DISTRICT FACES HISTORIC FUNDING CUTS

The Olathe School District recently learned that state funding would be cut for *this school year* by \$33 per student, plus money being reduced from special education funding. This amounts to a loss of \$1.3 to \$1.7 million dollars to our district, with about three months remaining in the school year.

Next year, the state funding reductions are expected to be much larger—as much as \$500 to \$900 per student. This is because the state is facing a deficit of close to \$1 billion in tax revenue.

To reduce spending, the district has enacted a hiring freeze, and is reducing administrative and support staff at the district level. The Board of Education has approved an early retirement incentive plan, hoping to reduce staff in significant numbers through voluntary attrition.

The district's goal is to minimize the impact on the classroom. With funding reductions of this magnitude, that will be difficult and challenging.

You can help by being aware of the school funding situation. We are posting information about the budget, along with frequently asked questions about school funding, on the district web site (www.olatheschools.com). One of the frequently asked questions is featured below.

How can the district have money to build schools?

Many people are confused by the difference between *operating* funds and *bond and interest* funds. They don't understand how the district can build new schools if we are concerned about reduced funding.

This is because new schools (and remodeling of existing schools) are paid for with *bond funds* that are approved locally. However, districts are prohibited from using bond funds for operating expenses, such as teachers' salaries, supplies, and utility bills.

We are able to build new schools to keep up with growth because our community has overwhelmingly supported the bond elections.