



4 Funds of School Finance

General

01

Where does the money come from?

Revenue in Fund 1 comes from state and federal revenue as well as the general operating portion of our tax levy.

What can the money be used for?

Money in Fund 1 covers the majority of operating expenses of the district. This includes salaries for non-certified staff and educational and operational expenses from utilities and fuel to curriculum resources and supplies.

Teachers

02

Revenue in Fund 2 can be from a specific tax levy, but typically is transferred into Fund 2 from Fund 1.

Money in Fund 2 goes specifically to certified staff salaries and benefits (wages, insurance, retirement etc.). While this money is tracked in a separate fund, without a dedicated tax levy, money in Fund 2 comes from Fund 1.

Debt Service

03

Revenue in Fund 3 comes specifically from the debt service levy approved by voters.

Money in Fund 3 goes to cover the obligated debts of the district through voter approved bonds. Bonds are approved to cover specific projects with a dedicated tax levy established to ensure payment of the debt.

Capital Projects

04

Revenue in Fund 4 can come from a specific tax levy, through a one time, capped, annual transfer from Fund 1 to Fund 4, or bond proceeds.

Money in Fund 4 goes to large projects/expenditures. This could be the acquisition of property, purchase of vehicles (i.e. buses) new building projects, renovations, and the purchase or maintenance of furniture and/or equipment.