

WICHITA PUBLIC SCHOOLS



# Budget at a Glance



*The work of Wichita Public Schools is to empower all students with the 21st Century skills and knowledge necessary for success by providing a coherent, rigorous, safe and nurturing, culturally responsive and inclusive learning community.*

## Table of Contents

A Letter from the Superintendent . . . . .	2
Wichita Board of Education. . . . .	3
Key Issues Influencing Budget Development . . . . .	4
Where We Get Our Money . . . . .	5
Restricted / Unrestricted Expenditures . . . . .	6
How We Spend Our Money . . . . .	7
Expenditures by Category. . . . .	8
Instruction Takes Top Staffing Priority . . . . .	9
Expenditures Directly Support Wichita Students. . . . .	10
Unencumbered Cash Balances. . . . .	11
Student Achievement Increases . . . . .	12
District Enrollment Remains Strong . . . . .	13
2009 Property Tax Comparisons. . . . .	14
Property Taxes Remain Flat in 2010. . . . .	15
Awards for Financial Excellence . . . . .	16





*Dear Colleagues and Friends,*

*Listening, learning, earning your trust—all three have been essential priorities as I spent my first year in this dynamic urban district getting to know our students, staff, schools and community. When I arrived in Wichita one year ago, one of the things I was most impressed with was that our city was a community that values education. As I listened to literally thousands of people over the last year, my first impression of our community's commitment to Wichita kids was reaffirmed.*

*Our community clearly wants to be informed about and involved in our district. That was evidenced by the tremendous participation we had throughout the spring—at schools and at the district level—as we worked on the very difficult decisions that were necessary to develop the adopted 2010-2011 budget. I applaud the hundreds of individuals who took the opportunity to learn about school finance and the budget of the Wichita Public Schools in order to make informed recommendations.*

*Open communication has been a significant priority during my first year as superintendent. That is why I supported the continued publication of this “Budget At A Glance” document which puts all of the facts and figures into perspective. We want to help you understand where our finances come from and how we invest our resources to educate more than 50,000 Wichita children. We know from experience that this simple format allows our budget to be transparent and more understandable to our community. This document, as well as our full adopted budget, are available on our district's new Web site—[www.usd259.org](http://www.usd259.org).*

*We look forward to implementation of the Multi-Tier System of Support academic and behavioral framework; groundbreaking on 5 brand new schools to our district as well as several others that will be rebuilt—all as a result of the 2008 bond issue; and most of all, the opportunity to touch the lives of the young people who come to us each day to receive a world-class education.*

*The school year will continue unprecedented financial challenges prompted by the state's economy. I would challenge you to have an open mind, to continue looking carefully at what we do and how we do it, and to challenge traditional beliefs that too often stand in the way of most effectively serving kids. Our schools educate more than 11 percent of all students in the entire state of Kansas, and these future community leaders depend on us to leverage our strengths and overcome weaknesses in order to help them be successful.*

*You send us your two most precious resources—your children and your tax dollars—and we have an obligation to take care of them both. I appreciate your support as we work to uphold this commitment each and every day.*



*Respectfully,*

*John R. Allison  
Superintendent*



# Wichita Board of Education



Members of the Wichita Board of Education are front row, left to right: Barbara Fuller, Connie Dietz, Betty Arnold and Lanora Nolan. In the back row are: Kevass Harding, Jeff Davis and Lynn Rogers.

**Betty Arnold**  
5311 Pembrook  
Wichita, KS 67220-2626  
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**2010-2011 Vice President**

**Connie Dietz**  
8310 Greenbriar Lane  
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**District 2**  
**2010-2011 President**

**Barbara Fuller**  
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**District 3**

**Jeff Davis**  
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**District 4**

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**District 5**

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**District 6**

**Kevass Harding**  
5816 E. 48th Cir. N.  
Wichita, KS 67220-1600  
**At-Large**



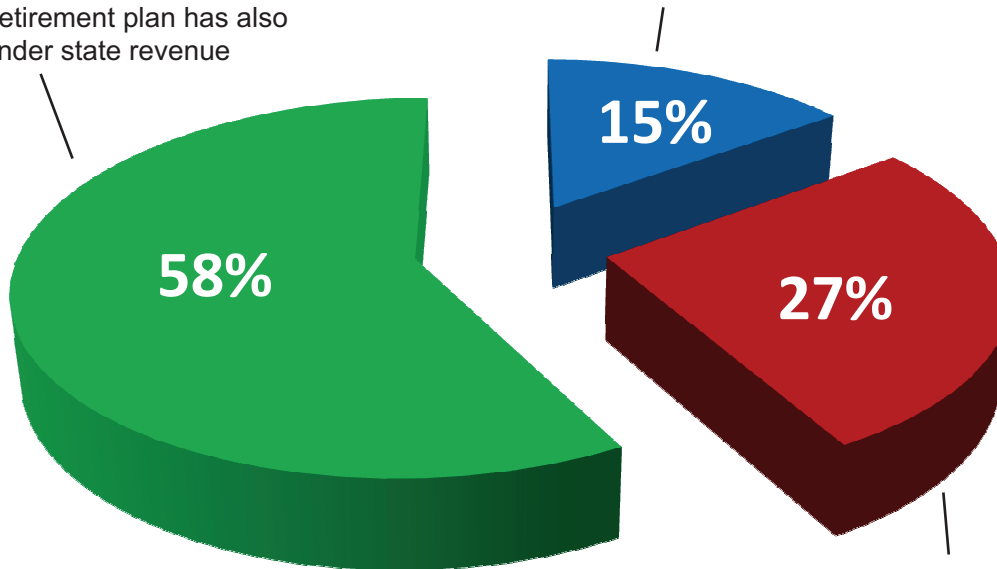
# Key Issues Influencing \$632 Million Budget Development

- Starting in 2009, through a combination of legislative and gubernatorial cuts, school funding was reduced significantly from \$4,433 per pupil to \$4,012. The cut of \$421 per student represents a 9.5 percent reduction in base state aid.
- The adopted budget includes no increase to the local property tax levy.
- The 2010-11 budget reflects a \$12.5 million increase in bond payments relative to the \$320 million of bonds issued over the past two years. Federal stimulus funds will cover \$5 million of this increase. Last year's bond issue mill levy increase will fund the balance.
- Additionally, the 2009 economic stimulus funds (American Reinvestment and Recovery Act) are expected to generate another \$16.5 million in 2010-11 to support other targeted programs. This money will be restricted and must be used for low income, at-risk students (\$10 million), special education (\$6.5 million) and \$232,000 to support family literacy and homeless students. The special education stimulus funding substantially replaces a 2009 special education funding cut by the state.
- Fixed costs for 2010-11, such as fuel increases, retirement costs, contractual obligations, liability insurance, and mandated increases in bilingual, special education, and at-risk programs were funded by cuts elsewhere in the unrestricted budgets.
- While this budget makes every effort to keep cuts as far away from the classroom as possible, a General Fund budget reduction as significant as the one that was faced in 2010 made this a daunting task. This budget includes cuts that will have noticeable impact on district operations, including:
  - 22 percent reduction in central office administrators;
  - Elimination of four remaining middle school resource officers;
  - Reduction of computer purchases required to support the 5-year technology plan;
  - Elimination of the Driver Education program;
  - Change start times at eight elementary/pre-K school buildings to save transportation costs;
  - Elimination of the Metro-Midtown Alternative High School program;
  - 50 percent reduction in employee overtime;
  - Reduction of teacher and administrator meeting, conference and workshop expenses;
  - 55 percent reduction in temporary/relief custodians.
- Labor contracts for 2010-11 reflect no increases.
- Fall 2009 enrollment increased by 896 students. The 2010-11 budget presumes no further increase in the number of students.
- The 2009 Kansas Legislature eliminated \$4.6 million of capital outlay state aid for the Wichita Public Schools. This reduction was not reinstated for 2010-2011 and will result in delays in school improvements.
- The district expects to issue the remaining \$50 million of bonds authorized by the 2008 bond referendum in the 2011-12 fiscal year.



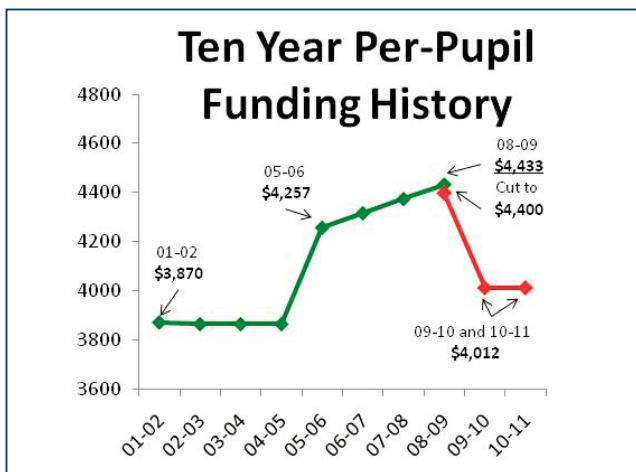
# Where We Get Our Money

**State revenue** is generated primarily by sales taxes and income taxes. These revenues are distributed to school districts based on formulas approved by the Kansas Legislature. General fund revenue is calculated based on a per-pupil funding amount (\$4,012 in 2010-11), with additional weighting for vocational, bilingual, at-risk and low-income students, and those transported over 2.5 miles. State funding for the KPERS retirement plan has also been included under state revenue sources.



**Federal revenue** is largely made up of federal child nutrition (breakfast and lunch) programs, special education and various federal grants. Federal sources are exempt from the Kansas budget law because their fiscal year and spending guidelines differ from the state's budgeting guidelines. Kansas school budgeting requirements call for these funds to be reported.

**Local revenue** sources include local property taxes, investment income, local grants and contributions. Numerous businesses and foundations provide financial support for district efforts.



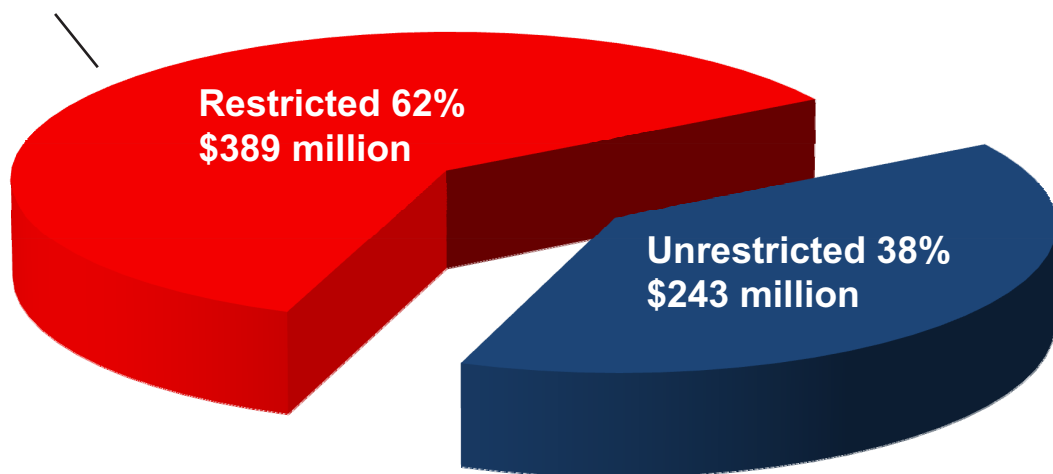
# Restricted and Unrestricted Expenditures

## \$632 Million Total Budget

### Restricted

The majority of the district's budget is restricted, meaning that funds can only be spent on the program identified in the respective statute or grant. Examples include special education, bond and interest, nutrition services, state intervention and capital outlay. This 2010-11 Budget at a Glance also includes the KPERS fund (\$25.9 million) and estimated federal, state and local grant funds (\$44.5 million), historically not included in this document.

It is important to note that these restricted and non-budgeted funds, because they are estimated at the time of publication, may change when the respective grant is awarded.



### Unrestricted

Significantly less than half of the overall budget is unrestricted, meaning the funds can be used to support any costs associated with regular K-12 education. The primary sources of unrestricted funds are the General Fund and the Supplemental General Fund (Local Option Budget).

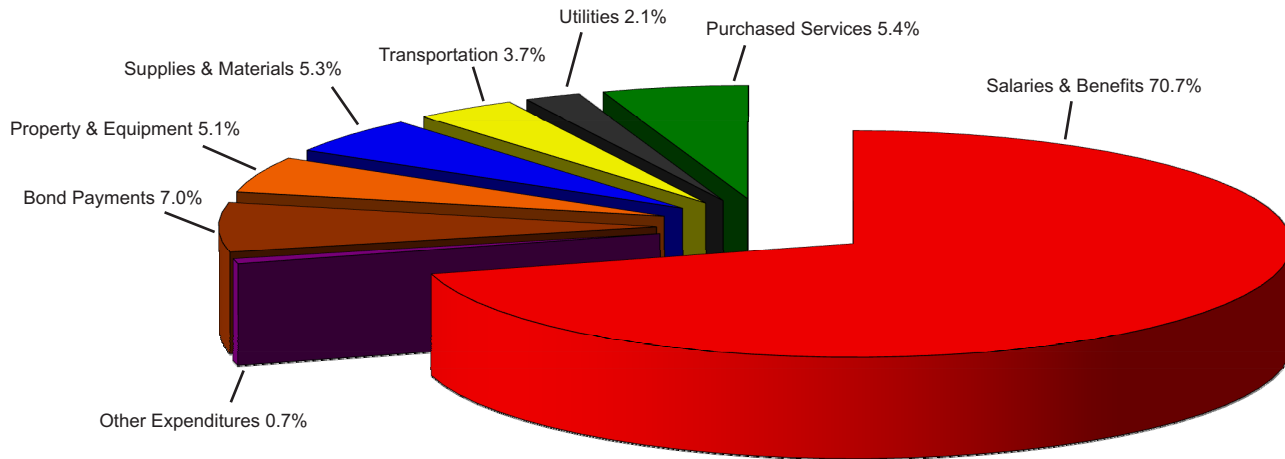


# How We Spend Our Money

DETAIL FUNCTIONS	2010-11 BUDGET	RESTRICTED	UNRESTRICTED
4-Year-Old-Program Fund	\$5,235,627	\$3,835,472	\$1,400,155
Elementary Instruction	82,544,744		82,544,744
Elementary Intervention Programs	37,069,684	37,069,684	
Middle School Instruction	42,710,559		42,710,559
Middle School Intervention Programs	14,068,375	14,068,375	
High School Instruction	49,487,426		49,487,426
High School Intervention Programs	22,479,405	22,479,405	
Adult Education Fund	67,510	67,510	
Bilingual Education Fund	10,922,029	10,922,029	
Bond & Interest Fund	44,531,088	44,531,088	
Business & Operational Services	2,773,574		2,773,574
Capital Outlay Fund	43,600,000	43,600,000	
District Leadership	2,523,250		2,523,250
District Technology Initiatives	1,847,113		1,847,113
Driver Education Fund	172,539	172,539	
Employee Benefits & Insurance Management	5,477,668	3,885,880	1,591,788
KPERS State Retirement Fund	25,916,294	25,916,294	
Energy Management & Utilities	11,145,708		11,145,708
eSchool Fund	\$768,637	\$768,637	
Facilities Services (Maintenance)	10,859,223		10,859,223
Federal Grant Fund	41,300,000	41,300,000	
Human Resources	2,136,541		2,136,541
Information Services & Technology	8,547,159		8,547,159
Innovation & Evaluation	650,742		650,742
Latchkey Fund	799,680	799,680	
Learning Services (Curriculum)	5,187,102		5,187,102
Legal Services	535,671		535,671
Marketing & Communications	987,203		987,203
Nutrition Services Fund (Breakfast & Lunch Program)	22,333,470	22,333,470	
Parents as Teachers Fund	1,013,662	510,130	503,532
Professional Development Fund	1,396,591		1,396,591
Safety & Security Services	1,811,840		1,811,840
Special Assessment Fund	1,145,584	1,145,584	
Special Education Fund	100,476,141	100,476,141	
Special Liability Expense Fund	800,000	800,000	
State & Local Gift & Grant Fund	3,248,297	3,248,297	
Student Support Services	\$1,189,260		\$1,189,260
Summer School Fund	291,135	291,135	
Transportation	15,953,187	8,149,174	7,804,013
Vocational Education Fund	7,981,773	3,047,114	4,934,659
<b>Total</b>	<b>\$631,985,491</b>	<b>\$389,417,638</b>	<b>\$242,567,853</b>

# Expenditures by Category

## \$632 Million Total Budget



Without question, the most significant investment in the Wichita Public Schools' annual budget is on salaries and benefits for district staff. This expense category accounts for more than 70 percent of all expenses (more than 80 percent if you consider only unrestricted funds). Some staff, like special education teachers and para-educators, are paid with restricted funds, while regular education classroom teachers are paid out of the unrestricted General Fund (see page 9 for additional detail).

Expense categories include the following:

**Salaries and Benefits:** Including health/life/disability insurance, workers' compensation and early retirement

**Purchased Services:** Contracted services with vendors and providers outside of the district (ex: school resource officers)

**Utilities:** Heating fuel, electricity, water, sewer and phone

**Transportation:** School bus transportation for district students

**Supplies and Materials:** Items used, worn out or which deteriorate through use

**Property and Equipment:** Acquiring or improving land, buildings and equipment; includes Capital Outlay Fund expenditures

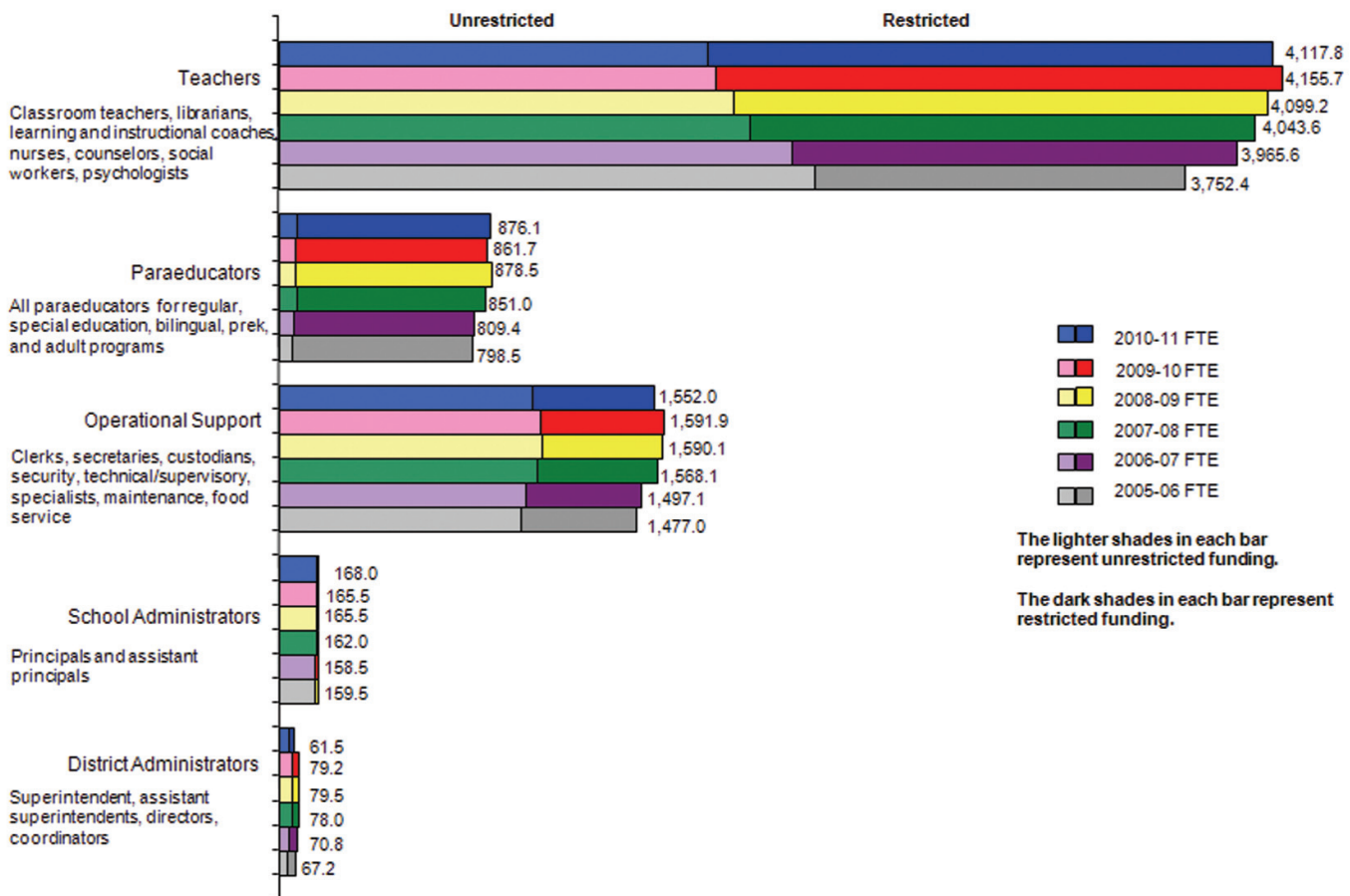
**Bond Payments:** Principal and interest on the voter-supported 2000 and 2008 bond issues

**Other:** Includes dues, fees, licenses and permits, and sales of property



# Instruction Takes Top Staffing Priority

Staffing - All Budgeted Funds

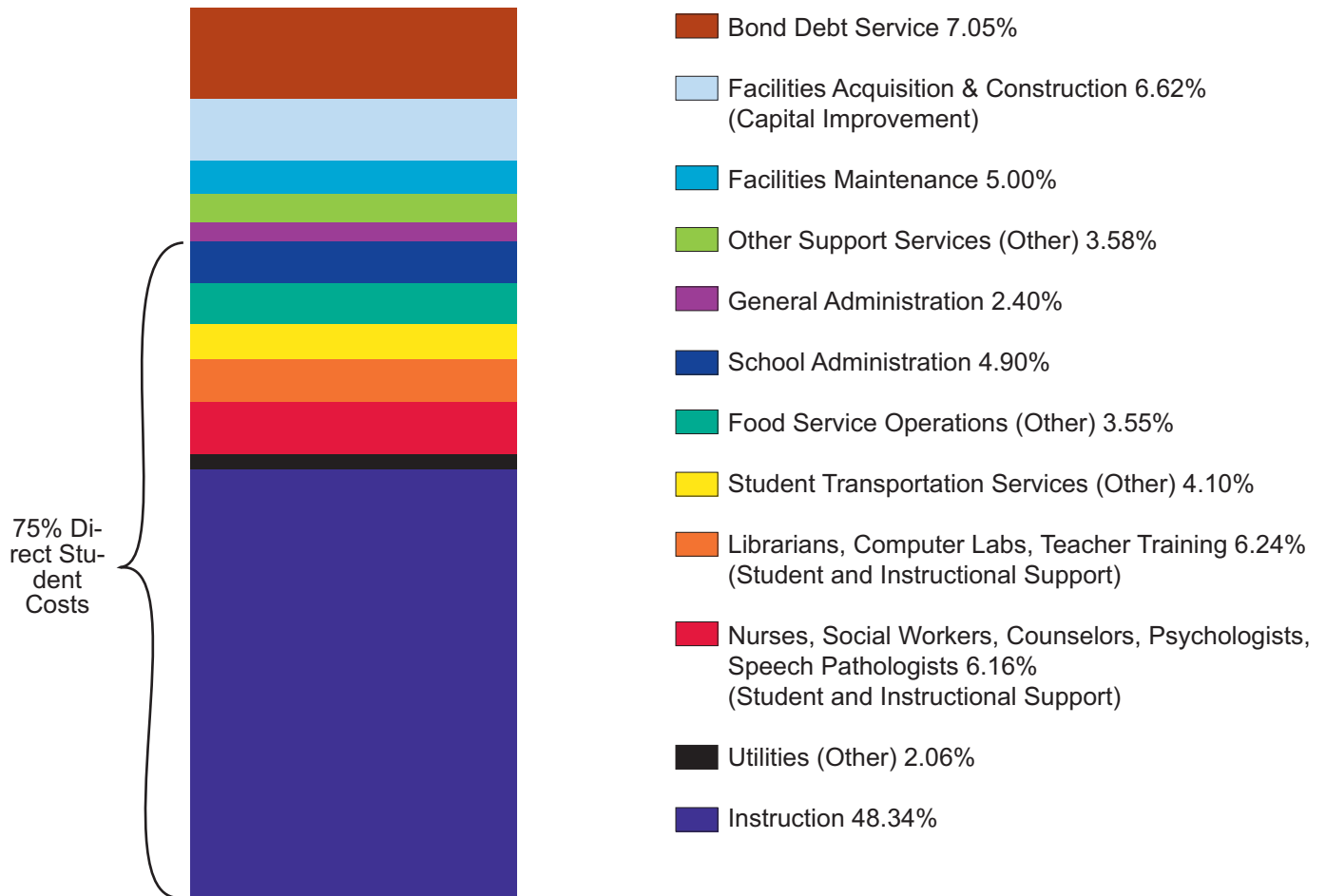


Student achievement is the top priority in the Wichita Public Schools. The district's budget is focused on teachers and instructional support, such as paraeducators, librarians and counselors. Historically, as additional resources have been added due to increases in school funding, priority has been given to add instructional staffing to support student needs. The majority of new staff hired during this time has been supported by restricted dollars.

In the 2010-11 budget, there is a net loss of 79 full-time positions. A total of 117 full-time positions were eliminated, including 22 percent of all centrally-based administrators. This budget also includes the addition of 38 positions in special education and bilingual education due to state and federal mandates.



# Expenditures Directly Support Wichita Students



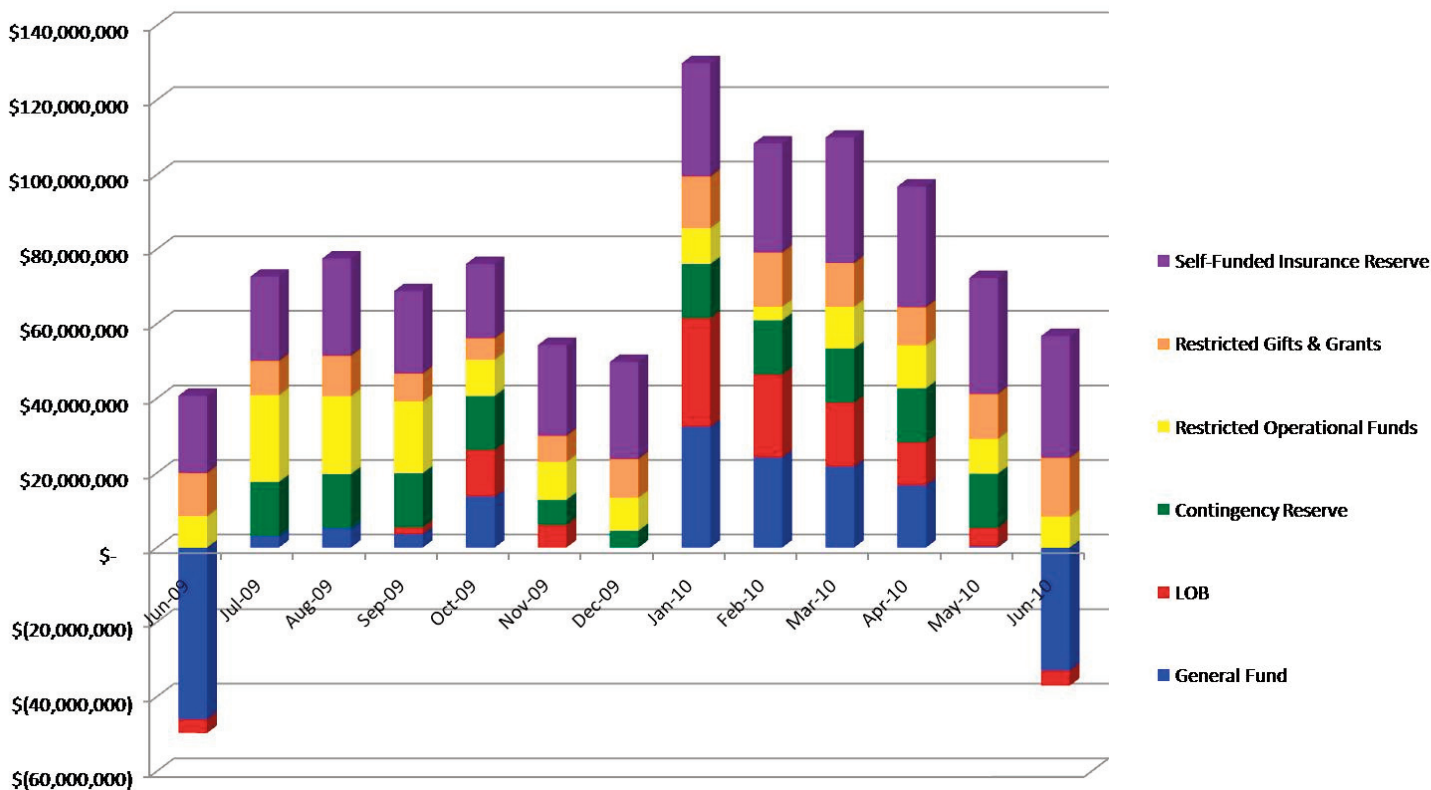
It is to be expected that the majority of a school district's resources support students, schools and instructional activities. The Wichita Public Schools sets a strong example of this practice, with more than 75 percent of its \$632 million budget devoted to expenses that occur at schools and in support of student learning.

The categories represented in this graphic correspond with the Kansas State Department of Education "Budget At A Glance" for every Kansas school district. The KSDE categories are very broad and over-generalize expenditures. This chart accurately breaks down broad categories such as "other support services" (transportation, food service and utilities) by allocating the amount spent directly in schools.

The balance of the district's expenditures—25 percent in 2010-11—support several key areas. Bond debt service and capital improvements are restricted dollars that have a designated use. The remaining three expense areas—facilities maintenance, general administration and other support services – include critical business functions such as human resources, payroll, finance, technology and custodial services, as well as key district leadership expenses such as the superintendent of schools.



# Unencumbered Cash Balances



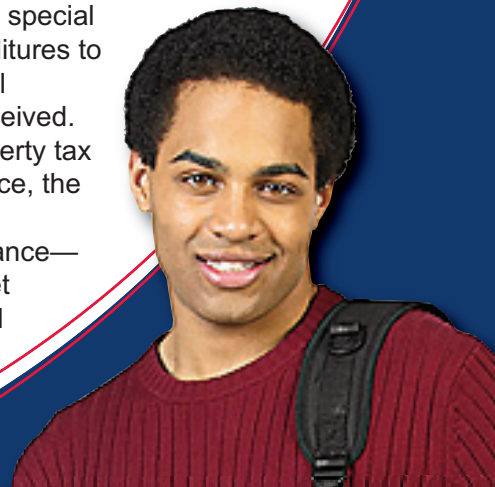
Unencumbered cash balances have been the topic of significant discussion. School budgets have lengthy gaps before state or federal aid is received. These unencumbered funds are essential to the operation of a school district, as they are on hand to pay bills and salaries until the next state or federal aid payment is received.

It is important to note that unencumbered does not mean unbudgeted. Unencumbered funds are not extra dollars that have no specific purpose. In fact, many expenditures in the district's budget are directly supported by unencumbered dollars. One example is bond and interest (included in "restricted operational funds"). Bond expenditures are included in the expense budget detailed in this book, as the Board has to approve spending authority for those purchases. However, the revenue to pay these bills is placed in an unencumbered cash fund until these expenditures are made.

Unencumbered cash is used to cover expenses for funds which do not receive revenue each month. Special education is one example (included in "restricted operational funds"). The first special education payment of the year is received in October. However, budgeted expenditures to support federally-mandated special education programs are on-going. The special education cash balance pays these expenditures until the October payment is received.

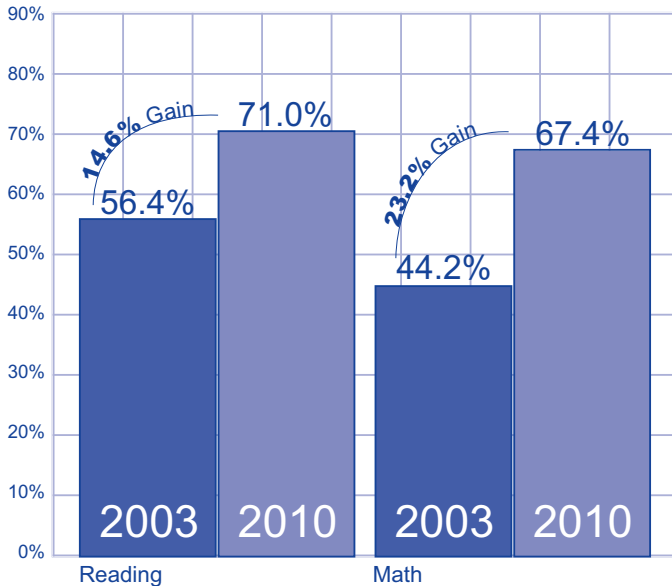
Another example is local property tax revenues. The district receives two property tax payments per year—in June and January. Without the unencumbered cash balance, the district would not be able to pay bills on a regular monthly basis.

It is also important to note that the one unrestricted and unbudgeted cash balance—contingency reserve—is essential to ensure that the district can pay bills and meet payroll when state school finance payments are delinquent. In the 2009-10 school year, this happened nearly every month.

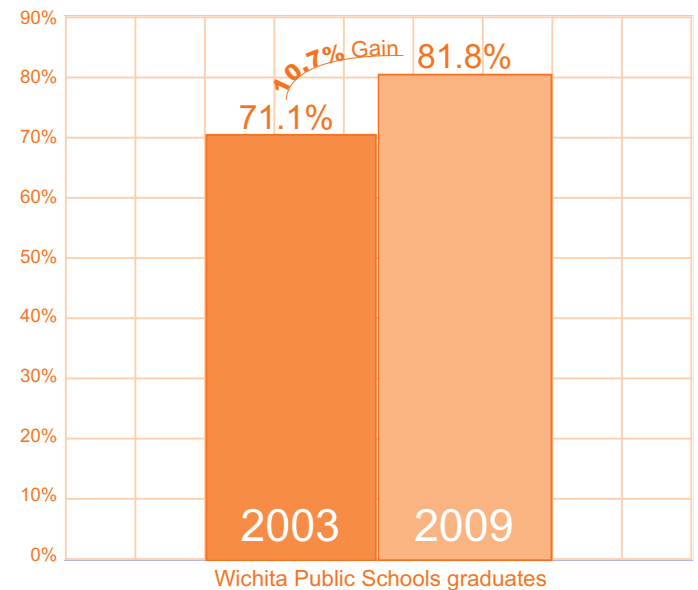


# Student Achievement Increases

## District-wide



## Graduation Rates



A quality educational system is vital to a thriving Kansas economy. Increased funding a few years ago allowed the Wichita Public Schools to add teachers and educational support programs in direct support of student achievement. That investment has paid off. Since 2003, reading proficiency has improved nearly 15 percent, math proficiency has improved by more than 23 percent, and high school graduation has improved by nearly 11 percent.

The district also needs funds to support students to reach state and federal mandated performance targets, which are increasing about 5 percent a year. Growth is based on the number of subgroups—special populations—the district has. If one subgroup doesn't reach the target, the entire school is considered as missing the performance target, even if the school still made significant gains.

The Wichita Public Schools is also seeing growth in its special student populations. As these student populations grow, teachers and support staff work to ensure that each child can be successful.

- A special education student costs more than three times as much to educate as a regular education child. More than \$100 million of the district's budget supports special education.

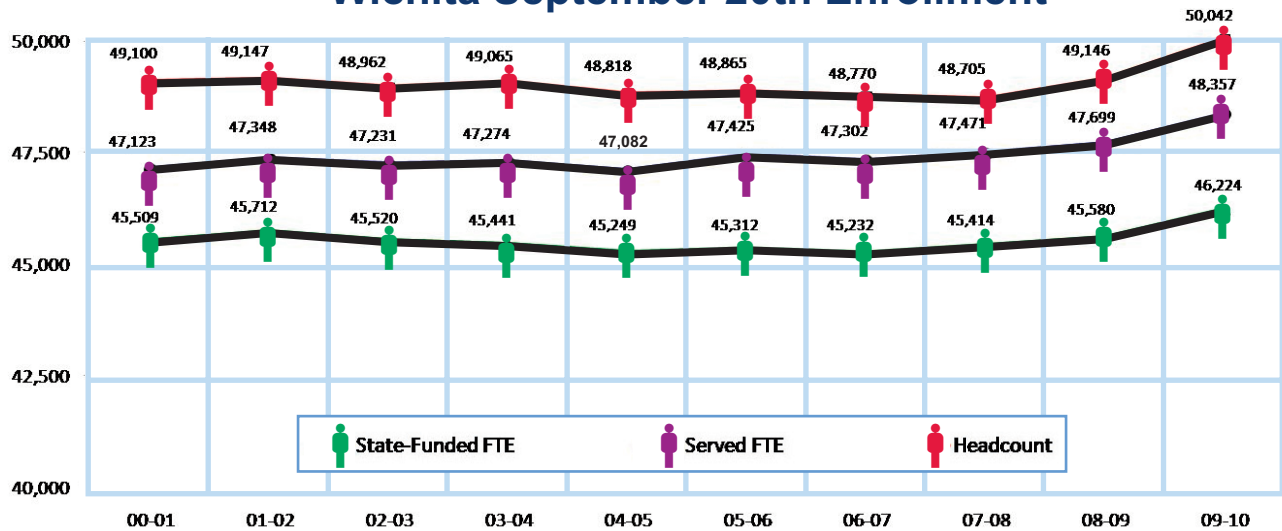
- Students who qualify for free and reduced-price lunches need additional classroom support because they often come to school less prepared than their peers.

- Bilingual students are the district's fastest growing special population, with 88 languages spoken in students' homes. They require additional support to learn English in order to transition into a regular classroom.

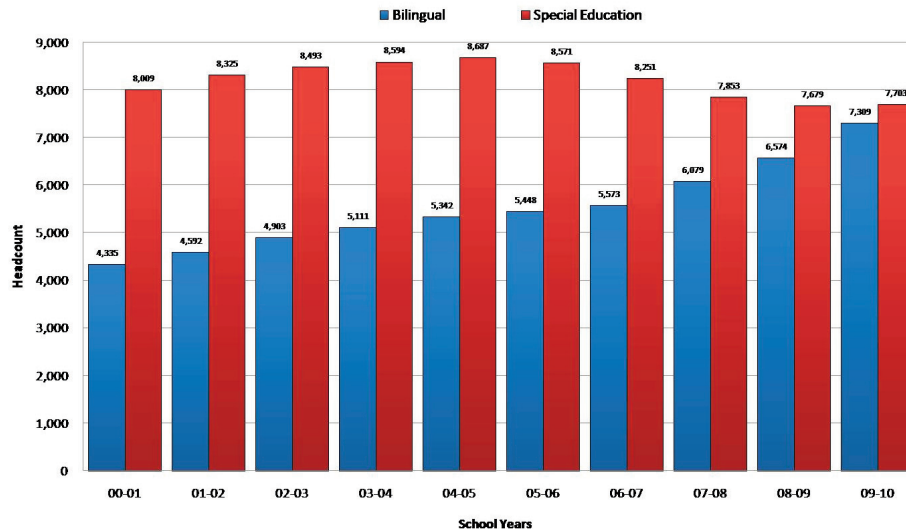


# District Enrollment Remains Strong

## Wichita September 20th Enrollment



## Bilingual and Special Education Enrollment



Enrollment in 2010-11 is 50,033 students, on par with last year's 35-year high of 50,042. Enrollment in the Wichita Public Schools has grown by more than 1,100 students in the last five years. Unlike many other urban districts across the country, Wichita's enrollment continues to remain strong, and the district educates more than half of all children in Sedgwick County.

School funding is based on Full Time Equivalent students (FTE) rather than headcount. It is important to understand the difference, as the Wichita district has made a significant commitment to serve children who aren't considered for full funding levels from the state.

**Headcount:** The official headcount taken on September 20, representing every student served in the district.

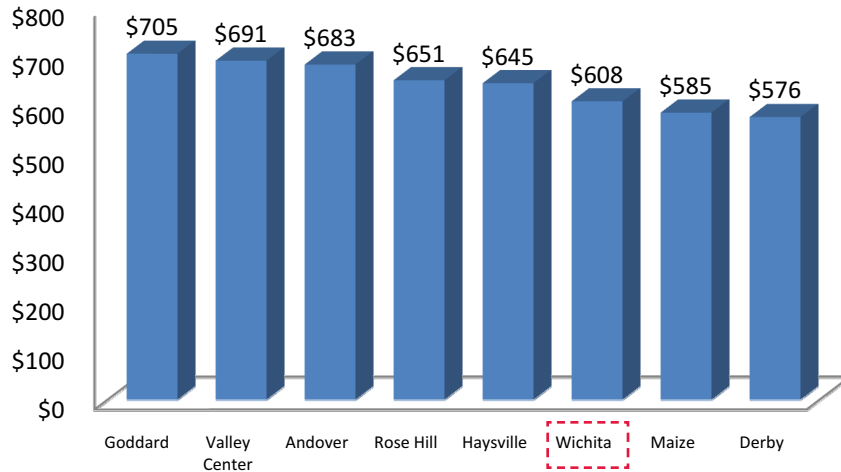
**Served FTE:** The Full Time Equivalent (FTE) of every student served by the district, based on the Sept. 20 headcount. It is lower than headcount because there are students who do not attend school for a full day.

**State-Funded FTE:** The difference between "state funded" and "served" FTE is our kindergarteners. For funding purposes, the State of Kansas counts kindergarteners as one-half FTE, even though they are served and occupy classrooms for a full day. Our district has approximately 4,000 kindergarten students, but for funding purposes they are counted as 2,000.

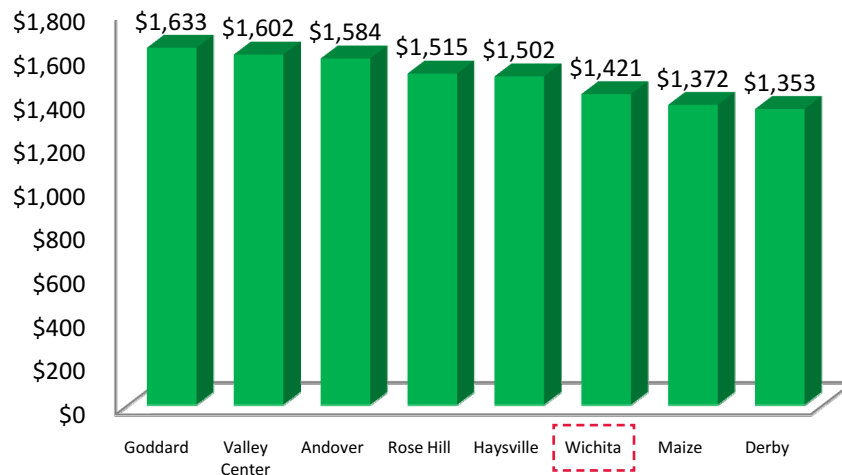


# 2009 Property Tax Comparisons

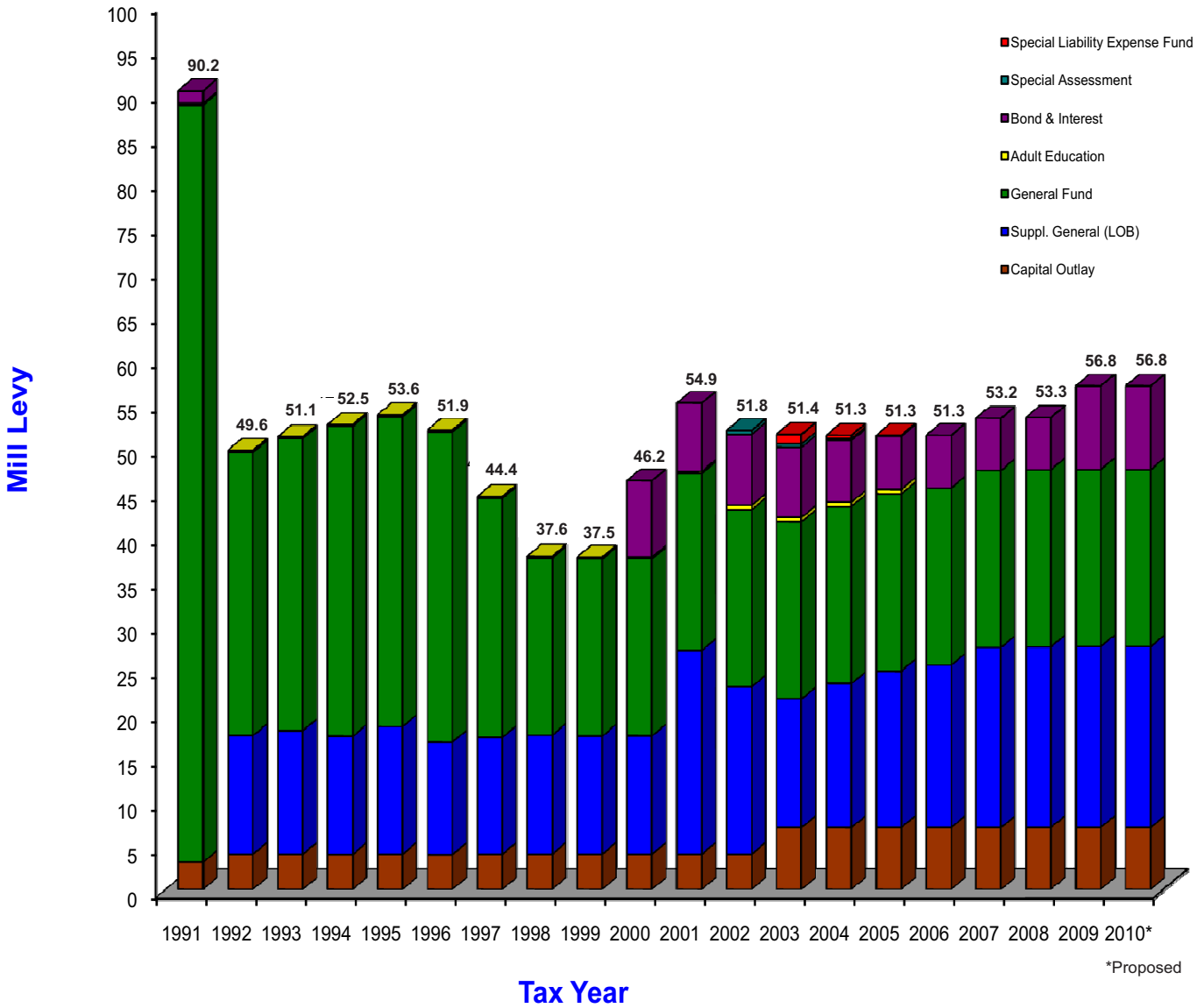
## Actual Annual Property Tax on a \$100,000 House



## Actual Annual Property Tax on a \$100,000 Business



# Property Taxes to Remain Flat



The Board of Education budget includes no increase in the mill levy for 2010. Wichita homeowners and businesses historically pay among the lowest school taxes in the area. The Board is able to maintain a flat mill levy while still investing in the \$370 facility construction bond issue approved by voters in 2008.



# Award for Financial Excellence

The Wichita Public Schools Financial Services Division has a history of earning recognition for the quality of its work. Following is a sample of the division's distinctions:

- Government Finance Officers Association, Distinguished Budget Presentation Award, fifteen consecutive years.
- Government Finance Officers Association, Certificate of Achievement for Excellence in Financial Reporting, Comprehensive Annual Financial Reports, fifteen consecutive years.

*This booklet was prepared by the Wichita Public Schools Financial Services Division, in cooperation with the Marketing and Communications Division, for the benefit of our community. It presents an overview of the budget process for the 2010-11 school year with comparisons to budgets in previous years.*

*If you would like additional copies of this booklet, or if you have questions, you may:*

- Visit the district's Web site at [www.usd259.org](http://www.usd259.org)
- Call 973-4797
- Email [kmccoy@usd259.net](mailto:kmccoy@usd259.net)





The Wichita Public Schools does not discriminate on the basis of race, color, ancestry, national origin, religion, sex, disability, age, veteran status, or any other legally protected classification. Persons having inquiries may contact the School District's Title IX Director/ADA/Section 504 Coordinator for adults at (316) 973-4420, or Section 504 Coordinator for students at (316) 973-4650, 201 N. Water, Wichita, KS 67202.

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