PHOENIX UNION HIGH SCHOOL DISTRICT NO. 210
QUESTIONS AND ANSWERS ABOUT
CAPITAL OUTLAY BUDGET OVERRIDES

1. Q: What is a Capital Outlay Override?
A: A Capital Outlay Override is voter-approval allowing the school district to exceed its Capital Outlay Budget Limit by a specific amount each year for a maximum of 7 years. After that period of time has expired, another election must be held to maintain or change the amount of the override.

2. Q: How may Capital Outlay Override monies be spent?
A: Capital Override monies may be used for any capital purpose including the purchase of items such as textbooks, instructional aids, library books, land and building improvements, furniture, equipment, computer software and vehicles, as well as construction.

3. Q: How is the tax rate determined for a Capital Outlay Override?
A: The tax rate is set by the County and is calculated based on the total amount needed each year to fund the override. Funds are spent on a pay-as-you-go basis with no interest expense. This amount is levied on the assessed valuation used for secondary property tax purposes of the property in the school district.

4. Q: Can these types of capital items be included in a bond program?
A: School districts can use bond funds for soft capital purposes including items such as technology, instructional aids, furniture and equipment, and pupil transportation vehicles as long as these items are amortized over a five year period. If we include a large dollar amount of furniture and equipment items in the bond program, the tax rate would be higher and there would be insufficient bonding capacity for all of the construction projects. Bond funds cannot be used for purchase of service vehicles, textbooks, or library books.

5. Q: Is there any funding available from the School Facilities Board for these types of items?
A: The School Facilities Board (SFB) is established to evaluate the capital needs of school districts and distribute monies to cure existing building deficiencies, for building renewal and for the construction of new facilities. The SFB has adopted rules establishing minimum school facility adequacy guidelines to provide the minimum quality and quantity
school buildings, facilities and equipment necessary and appropriate to enable students to achieve academic standards. Since Phoenix Union High School District already meets established guidelines the SFB does not provide funding for these capital equipment items.

6. **Q:** What if the Capital Outlay Override fails?

**A:** If the Capital Outlay Override fails there would be very minimal monies available to allow the District to furnish and equip schools under the Bond program. In addition, the Legislature reduced our Capital Outlay funds by 50% for 2011-12 and cut Soft Capital Funds (for furniture and equipment) 95% for 2011-12. The remaining funds do not provide for all of the technology, furniture, equipment, and textbook and library book requirements for students.