

What are Bonds and Overrides?



Bonds and overrides are tools that a local community can use to provide funds for education above what the state provides.

- Must be voter-approved
- Generate additional tax revenue through property taxes
- Used by public school districts and community colleges

What is a bond?

Public school districts and community colleges may issue bonds, which are purchased by investors to fund projects with a useful life longer than five years. Bonds are repaid over a set period of time.



Bonds can fund things such as:

- New schools
- Building improvements
- Safety improvements
- Technology
- School buses
- Equipment and other projects

What is an override?

Overrides are used to provide additional funding to support what happens inside school or community college classrooms. There are three types of overrides that can be used to provide K-12 school funding: Maintenance & Operations (M&O), Special and Capital overrides.

Overrides are approved for a term of seven years. Many school districts will ask voters to approve a renewal in year 4 or 5 of an override to maintain a consistent level of funding. If not renewed, the override amount decreases by 1/3 in the 6th year and 2/3 in the 7th year.



M&O Override

- Provides funds for teacher salaries and benefits, supplies and general operations
- May request up to 15% of budget



Special Override

- For programs like full-day kindergarten, art, music and physical education
- May request up to 5% of budget



Capital Override

- Supports things like buses, books, fine arts, playground equipment and classroom furniture
- May request up to 10% of budget

How do bonds & overrides happen?

A public school district or community college board may call for an election of a bond or override. Then a local stakeholder committee is formed.

The stakeholder group is often called a political action committee (PAC), but can also be a group of volunteers who come together to support the election. It is the responsibility of the PAC or stakeholder committee to fundraise, raise awareness and build support for the measure in the election because districts and colleges cannot use school resources to support the effort.

In fact, districts and colleges can only provide limited factual information about the bond or override and are not allowed to influence the outcome of the election.

Why are they necessary?

Some school districts and community colleges have increased their reliance on bonds and overrides, because of the lack of funding provided by the state.

However, not all school districts or community colleges are able to pass a bond or override for various reasons.

It is also important to note that charter schools are not eligible to issue a bond or override.