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STATE OF KANSAS AID TO SCHOOL DISTRICTS

This memorandum summarizes aid to school districts for FY 2017, FY 2018, and FY 2019. School districts receive a variety of aid from the State, including State Foundation Aid, Supplemental State Aid, Special Education State Aid, and a variety of other aid programs. In addition, Kansas State Department of Education (KSDE) provides aid to school districts through the Kansas Children's Cabinet, which provides grants to school districts and other local education agencies for programs in early childhood education and development. These sources of aid are all funded by state-controlled funds, such as the State General Fund (SGF), the Children's Initiatives Fund (CIF), and the statewide 20-mill property tax levy.

KSDE also distributes federal funding to school districts for special education, school food assistance, and Elementary and Secondary Education Act programs such as Title I funding. These federal funds do not include any funds that are provided directly to school districts.

The following table shows total state and federal aid to school districts for FY 2017, FY 2018, and FY 2019. Brief descriptions of major categories of state aid can be found on the following page. For greater detail on aid to school districts, please see Attachment A.

AID TO SCHOOL DISTRICTS, FY 2017-FY 2019 (Dollars in Millions)						
Aid to USDs	FY 2017 Actuals		FY 2018 Approved		FY 2019 Approved	
	SGF	All Funds	SGF	All Funds	SGF	All Funds
State Foundation Aid:						
State General Fund	\$ 1,851.6	\$ 1,851.6	\$ 2,002.2	\$ 2,002.2	\$ 2,148.3	\$ 2,148.3
20 Mills	--	613.9	--	642.5	--	669.7
SDFF	--	51.3	--	54.8	--	52.8
MPF	--	5.6	--	7.2	--	9.1
State Highway Fund	--	96.6	--	96.6	--	45.0
<i>Subtotal –</i>						
<i>State Foundation Aid</i>	\$ 1,851.6	\$ 2,619.0	\$ 2,002.2	\$ 2,803.3	\$ 2,148.3	\$ 2,924.8
Other State K-12 Aid	1,232.8	1,460.2	1,377.7	1,629.6	1,365.6	1,625.9
Children's Cabinet	--	15.5	--	15.6	--	18.0
Federal Aid	--	460.8	--	470.1	--	476.2
TOTAL	\$ 3,084.5	\$ 4,555.5	\$ 3,379.9	\$ 4,918.6	\$ 3,513.9	\$ 5,044.9

Note: Totals may not add due to rounding.

Attachments

The following attachments provide greater detail on state aid to school districts (aid to local units of government) and individuals (other assistance), along with appropriations for KSDE included in bills passed by the 2018 Legislature.

Attachment A. This attachment includes all state and federal aid provided to school districts or individuals. Federal aid is defined to include only those funds that flow through KSDE and does not include funds that are provided directly to school districts. The table includes the following line items:

- **State Aid**, the total amount of aid to local units of government and other assistance provided by the State of Kansas using state moneys, such as SGF, CIF, the 20-mill property tax levy, and other state-controlled funds. In this table, the total is the sum of the subtotals for K-12 State Aid and Kansas Children's Cabinet aid;
- **K-12 State Aid**, the subtotal amount of state aid to local units of government and other assistance that goes directly into the K-12 education system. This includes the following:
 - **State Foundation Aid (SFA)**, state aid to school districts as determined by the Base Aid for Student Excellence (BASE). SFA comprises:
 - SGF appropriations;
 - The statewide 20-mill property tax levy;
 - The School District Finance Fund;
 - The Mineral Production Fund; and
 - A transfer from the State Highway Fund;
 - **Supplemental State Aid**, state equalization aid to school districts for Local Option Budgets (LOB). The LOB is equalized to the 81.2 percentile of assessed valuation per pupil (AVPP);
 - **Special Education State Aid**, state aid for excess costs associated with special education;
 - **Capital Outlay State Aid**, state equalization aid for local capital outlay property tax levies. School districts are ranked from highest to lowest in AVPP. The school district at the median of AVPP receives 25.0 percent state aid. State aid decreases by 1.0 percent for each \$1,000 in AVPP above the median and state aid increases by 1.0 percent for each \$1,000 in AVPP below the median. Capital Outlay State Aid is a demand transfer from the SGF and is considered a SGF expenditure;
 - **Capital Improvement State Aid (Bond and Interest State Aid)**, state aid for general obligation bonds incurred by school districts for the construction of new capital projects such as school buildings. Capital Improvement State Aid is a special revenue fund expenditure funded by a revenue from the SGF. Therefore, it is not a SGF expenditure, but it is a SGF obligation;

- **Kansas Public Employee Retirement System (KPERS) Employer Contributions**, employer contributions to KPERS paid directly by the State. These include contributions for public school employees, especially teachers, and employees of community colleges, technical colleges, and interlocals; and
- **Various Smaller Aid Programs**, these include Parents as Teachers, professional development for teachers, Kansas Reading Success, the Mentor Teacher Program, Driver Education Program Aid, and other forms of state aid to school districts;
- **Kansas Children’s Cabinet**, the subtotal amount of state aid to local units of government and other assistance provided by the Kansas Children’s Cabinet; and
- **Federal Aid**, the total amount of federal aid distributed to school districts through KSDE, including special education, school food assistance, and a variety of other grants.

Attachment B. This attachment summarizes all changes to the approved KSDE budgets for FY 2018 and FY 2019 included in bills passed by the 2018 Legislature: Sub. for SB 423, which included the Legislature’s school finance remedy to the Kansas Supreme Court’s ruling in *Gannon V* and made appropriations to KSDE, and House Sub. for SB 109, which was the omnibus budget bill passed by the 2018 Legislature. House Sub. for SB 61, the follow-up school finance bill, is not included because it did not make any appropriations.

Attachment A
State of Kansas
K-12 Aid to Locals and Other Assistance
(2018 Session Approved)

	FY 2017 Actuals		FY 2018 Approved		FY 2019 Approved	
	SGF	All Funds	SGF	All Funds	SGF	All Funds
State Aid						
K-12 State Aid						
State Foundation Aid						
State General Fund	\$ 1,851,641,079	\$ 1,851,641,079	\$ 2,002,237,017	\$ 2,002,237,017	\$ 2,148,294,000	\$ 2,148,294,000
20 Mills	-	613,881,173	-	642,455,504	-	669,656,040
School District Finance Fund	-	51,303,853	-	54,800,000	-	52,800,000
Mineral Production Fund	-	5,556,550	-	7,197,000	-	9,069,000
State Highway Fund	-	96,600,000	-	96,600,000	-	45,000,000
<i>Subtotal--State Foundation Aid</i>	<i>\$ 1,851,641,079</i>	<i>\$ 2,618,982,655</i>	<i>\$ 2,002,237,017</i>	<i>\$ 2,803,289,521</i>	<i>\$ 2,148,294,000</i>	<i>\$ 2,924,819,040</i>
Supplemental (LOB) State Aid	\$ 470,625,852	\$ 470,625,852	\$ 454,500,000	\$ 454,500,000	\$ 483,917,000	\$ 483,917,000
Special Education State Aid	425,469,632	435,469,632	435,981,646	445,981,646	490,380,818	490,380,818
Capital Outlay State Aid	58,039,060	58,039,060	60,530,000	60,530,000	63,000,000	63,000,000
Capital Improvement State Aid *	-	179,711,657	-	189,800,000	-	200,000,000
KPERs-USDs**	253,501,812	253,501,812	384,875,670	384,875,670	260,115,567	260,115,567
KPERs-Non-USDs	15,663,602	51,094,550	21,847,072	61,730,072	32,517,049	72,601,049
KPERs Layering Payment	-	-	6,400,000	6,400,000	6,400,000	6,400,000
Mental Health Pilot Program	-	-	-	-	9,953,886	9,953,886
Parent Education Grants	-	-	-	7,237,635	-	8,237,635
Juvenile Detention Grants	4,060,366	4,060,366	5,060,528	5,060,528	5,060,528	5,060,528
School Safety and Security Grants	-	-	-	-	-	5,000,000
Pre-K Pilot	-	-	-	-	-	4,200,000
School Food Assistance	2,510,486	2,510,486	2,510,486	2,510,486	2,510,486	2,510,486
Extraordinary Declining Enrollment	-	-	-	2,593,452	-	-
ACT/WorkKeys	-	-	-	-	2,800,000	2,800,000
Kansas Reading Success***	1,787,503	1,787,503	2,100,000	2,100,000	2,100,000	2,100,000
Professional Development Programs	-	-	1,700,000	1,700,000	1,700,000	1,700,000
Driver Education Program Aid	-	1,504,772	-	1,682,000	-	1,682,000
Mentor Teacher Program	-	-	800,000	800,000	1,300,000	1,300,000
Communities Aligned in Early Dev. & Ed.	-	-	-	-	-	1,000,000
Technical Education Transportation	-	650,000	-	650,000	650,000	650,000
Teach for America	-	-	-	-	520,000	520,000
IT Education Opportunities***	500,000	500,000	500,000	500,000	500,000	500,000
Teacher Excellence Grants/Scholarships	261,115	261,115	360,692	360,692	360,693	360,693
Technical Education Incentive	-	-	105,000	105,000	800,000	800,000
Education SuperHighway	-	-	-	-	300,000	300,000
Juvenile Transitional Crisis Center Pilot	-	-	-	-	300,000	300,000
Deaf-Blind Program Aid	109,953	109,953	110,000	110,000	110,000	110,000
Communities in Schools	-	50,000	-	50,000	-	50,000
JAG-K Pilot Program****	-	-	-	-	15,000	15,000
Other Grants	312,500	312,500	312,500	312,500	312,500	312,500
<i>Subtotal--Other K-12 State Aid</i>	<i>1,232,841,881</i>	<i>1,460,189,258</i>	<i>1,377,693,594</i>	<i>1,629,589,681</i>	<i>1,365,623,527</i>	<i>1,625,877,162</i>
<i>Subtotal--K-12 State Aid</i>	<i>\$ 3,084,482,960</i>	<i>\$ 4,079,171,913</i>	<i>\$ 3,379,930,611</i>	<i>\$ 4,432,879,202</i>	<i>\$ 3,513,917,527</i>	<i>\$ 4,550,696,202</i>
Children's Cabinet						
Early Childhood Block Grant	\$ -	\$ 14,921,726	\$ -	\$ 15,065,046	\$ -	\$ 17,399,976
Child Care Quality Initiative	-	430,466	-	430,466	-	500,000
Autism Diagnosis Program	-	43,047	-	43,047	-	50,000
Family & Children Investment Fund	-	114,173	-	68,500	-	68,500
<i>Subtotal--Children's Cabinet</i>	<i>\$ -</i>	<i>\$ 15,509,412</i>	<i>\$ -</i>	<i>\$ 15,607,059</i>	<i>\$ -</i>	<i>\$ 18,018,476</i>
Total--State Aid	\$ 3,084,482,960	\$ 4,094,681,325	\$ 3,379,930,611	\$ 4,448,486,261	\$ 3,513,917,527	\$ 4,568,714,678
Federal Aid						
Special Education	\$ -	\$ 102,346,027	\$ -	\$ 102,692,560	\$ -	\$ 102,692,560
School Food Assistance	-	190,667,735	-	201,238,217	-	206,493,055
ESEA Programs	-	121,102,162	-	122,955,067	-	122,280,067
TANF Children's Programs	-	9,887,183	-	4,132,317	-	4,132,317
Remainder of Other Asst. & Aid to Local Grants	-	36,786,438	-	39,121,252	-	40,621,252
Total--Federal Aid	\$ -	\$ 460,789,545	\$ -	\$ 470,139,413	\$ -	\$ 476,219,251
GRAND TOTAL	\$ 3,084,482,960	\$ 4,555,470,870	\$ 3,379,930,611	\$ 4,918,625,674	\$ 3,513,917,527	\$ 5,044,933,929

* Capital Improvement State Aid is a revenue transfer from the State General Fund.

** FY 2019 does not include the transfers from the State General Fund to the KPERs Trust Fund for KPERs School approved by the 2018 Legislature. These are \$82.0 million and up to an additional \$56.0 million if FY 2018 revenue receipts exceed FY 2018 Consensus Revenue Estimates.

*** Contractual services expenditures but included as state aid because the primary beneficiaries are local education agencies.

**** Operations expenditure but included as state aid because the primary beneficiaries are students and local education agencies.

Attachment B
Kansas State Department of Education Funding Changes
Included in 2018 Session Bills
(All Changes from the Approved Budgets)

	FY 2018		FY 2019	
	SGF	All Funds	SGF	All Funds
Sub. for SB 423				
<u>K-12 State Aid</u>				
State Foundation Aid	\$ -	\$ -	\$ 26,024,200	\$ 26,024,200
Special Education State Aid	-	-	32,400,363	32,400,363
Supplemental (LOB) State Aid	-	-	5,994,000	5,994,000
Mental Health Pilot Program	-	-	9,953,886	9,953,886
ACT & WorkKeys	-	-	2,800,000	2,800,000
Mentor Teacher Program	-	-	500,000	500,000
JAG-K Pilot Program	-	-	15,000	15,000
TOTAL--Sub. for SB 423	\$ -	\$ -	\$ 77,687,449	\$ 77,687,449
H. Sub. for SB 109				
<u>K-12 State Aid</u>				
State Foundation Aid				
State General Fund*	\$ 10,968,783	\$ 10,968,783	\$ 75,612,255	\$ 75,612,255
20 Mills	-	6,993,694	-	6,752,630
School District Finance Fund	-	4,757,000	-	4,070,000
Mineral Production Fund	-	(2,763,000)	-	(732,000)
State Highway Fund*	-	-	-	(51,600,000)
<i>Subtotal--State Foundation Aid</i>	<i>\$ 10,968,783</i>	<i>\$ 19,956,477</i>	<i>\$ 75,612,255</i>	<i>\$ 34,102,885</i>
Supplemental (LOB) State Aid	\$ (26,420,922)	\$ (26,420,922)	\$ (8,186,284)	\$ (8,186,284)
Special Education State Aid*	-	-	10,000,000	-
Capital Improvements State Aid	-	(5,700,000)	-	(3,500,000)
Capital Outlay State Aid	1,826,090	1,826,090	4,296,090	4,296,090
KPERS-USDs	9,813,000	9,813,000	32,147,000	32,147,000
KPERS-Non-USDs	2,140,000	2,140,000	5,632,000	5,632,000
Technical Education Incentive	55,000	55,000	750,000	750,000
Career & Technical Education Transportation*	-	-	650,000	-
Teach for America Pilot Program	-	-	520,000	520,000
Education SuperHighway	-	-	300,000	300,000
Juvenile Transitional Crisis Center Pilot Program	-	-	300,000	300,000
CAEDE Pilot	-	-	-	1,000,000
Parents as Teachers	-	-	-	1,000,000
Pre-K Pilot	-	-	-	4,200,000
School Safety and Security Grants**	-	-	300,000	5,300,000
KSDE Planned Reappropriations from FY 2018 to FY 2019	(396,241)	(396,241)	396,241	396,241
Est. Changes to Other State & Federal Funds	-	426,506	-	497,863
<i>Subtotal--Other K-12 State Aid</i>	<i>(12,983,073)</i>	<i>(18,256,567)</i>	<i>47,105,047</i>	<i>44,652,910</i>
<i>Subtotal--K-12 State Aid</i>	<i>\$ (2,014,290)</i>	<i>\$ 1,699,910</i>	<i>\$ 122,717,302</i>	<i>\$ 78,755,795</i>
<u>Children's Cabinet</u>				
Early Childhood Block Grant	\$ -	\$ -	\$ -	\$ 2,343,930
Child Care Quality Initiative	-	-	-	69,534
Autism Diagnosis Program	-	-	-	6,953
<i>Subtotal--Children's Cabinet</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ 2,420,417</i>
TOTAL--H. Sub. for SB 109	\$ (2,014,290)	\$ 1,699,910	\$ 122,717,302	\$ 81,176,212
GRAND TOTAL	\$ (2,014,290)	\$ 1,699,910	\$ 200,404,751	\$ 158,863,661

* H. Sub. for SB 109 reduced the State Highway Fund Transfers to the Department of Education for FY 2019. This included reducing the transfer for State Foundation Aid by \$51.6 million and replacing it with a State General Fund (SGF) appropriation, ending the transfer for special education transportation and replacing it with a SGF appropriation, and ending the transfer for career and technical education transportation and replacing it with a SGF appropriation.

** This SGF appropriation is for Department of Education operations. It is not included in the State Aid table.