

## Department of Education

Expenditure	Actual FY 2013	Approved FY 2014	Approved FY 2015
<b>All Funds:</b>			
State Operations	\$ 33,956,966	\$ 38,676,316	\$ 33,485,960
Aid to Local Units	3,662,919,396	3,714,568,748	4,477,973,667
Other Assistance	44,666,656	46,389,769	46,544,901
<i>Subtotal - Operating</i>	<u>\$ 3,741,543,018</u>	<u>\$ 3,799,634,833</u>	<u>\$ 4,558,004,528</u>
Capital Improvements	-	-	-
<b>TOTAL</b>	<u><u>\$ 3,741,543,018</u></u>	<u><u>\$ 3,799,634,833</u></u>	<u><u>\$ 4,558,004,528</u></u>
<b>State General Fund:</b>			
State Operations	\$ 11,132,026	\$ 11,049,599	\$ 11,496,324
Aid to Local Units	3,080,403,665	2,951,609,468	3,146,894,610
Other Assistance	302,283	852,587	534,089
<i>Subtotal - Operating</i>	<u>\$ 3,091,837,974</u>	<u>\$ 2,963,511,654</u>	<u>\$ 3,158,925,023</u>
Capital Improvements	-	-	-
<b>TOTAL</b>	<u><u>\$ 3,091,837,974</u></u>	<u><u>\$ 2,963,511,654</u></u>	<u><u>\$ 3,158,925,023</u></u>
<b>Percent Change:</b>			
Operating Expenditures			
All Funds	(3.2)%	1.6 %	20.0 %
State General Fund	7.1	(4.2)	6.6
<b>FTE Positions</b>			
Non-FTE Unclass. Perm. Pos.	170.0	171.0	170.0
<b>TOTAL</b>	<u>94.5</u>	<u>102.0</u>	<u>102.0</u>
	<u><u>264.5</u></u>	<u><u>273.0</u></u>	<u><u>272.0</u></u>

The approved budget for the Department of Education in FY 2014 is \$3.8 billion, including \$3.0 billion from the State General Fund. The approved FY 2014 budget is an all funds increase of \$58.1 million, or 1.6 percent, above actual FY 2013 all funds expenditures. However, State General Fund expenditures decreased by \$128.3 million, or 4.2 percent, below the FY 2013 State General Fund expenditures. The decrease in State General Fund expenditures is primarily attributable to \$96.6 million of transportation state aid and \$43.0 million of special education transportation aid funded from the State Highway Fund instead of the State General Fund. This change in funding source increased the all funds expenditures while reducing State General Fund expenditures. State General Fund expenditures for General State Aid increased by \$17.8 million due to increased enrollments in FY 2014. Another major change included a lapse of \$7.4 million of KPERs school employer contributions in FY 2014.

The Legislature approved a FY 2015 budget totaling \$4.6 billion, including \$3.2 billion from the State General Fund. This approved budget is an all funds increase of \$758.4 million, or 20.0 percent, above the approved FY 2014 budget. The majority of this increase is due to the passage of 2014 House Sub. for SB 245 that added the 20 mill statewide levy, estimated to be \$586.8 million for FY 2015, to State special revenue funds for distribution to local school districts. (Prior to passage of this bill, the 20 mill levy was provided directly to school districts). The FY 2015 approved State General Fund budget increased by \$195.4 million, or 6.6 percent, above the approved FY 2014 State General Fund budget. The major increases in the State General Fund budget include \$11.7 million for increased enrollments, \$109.3 million to fully fund Supplemental General State Aid (LOB state aid), and \$25.2 million to fully fund capital outlay state aid. The Legislature also added \$66,903, including \$32,555 from the State General Fund for FY 2015 employee bonuses of \$250 for all full-time employees except elected officials.

In addition to fiscal changes made by the Legislature, the Legislature made several policy changes in 2014 HB 2506:

- Eliminated school facilities weighting, except for districts qualifying for the first year of the weighting in the 2013-2014 school year and districts on military reservations;
- Eliminated virtual school weighting used in calculating the local option budget;

- Amended the statutory Base State Aid Per Pupil used in calculating the Local Option Budget (LOB) from \$4,433 to \$4,490 for school years 2014-2015 and 2015-2016, then it will revert to \$4,433 on July 1, 2016;
- Allowed any school district having a 31.0 percent LOB on June 30, 2014, to increase its LOB to 33.0 percent by vote of the school board. However, after the 2014-2015 school year, a district must have a mail ballot election to increase the LOB. Any district at 30.0 percent must have a mail ballot election by August 1st to increase above 30.0 percent up to 33.0 percent.
- Authorized USD 207, Ft. Leavenworth, to adopt an LOB in excess of 30.0 percent with a resolution, subject to protest petition. This resolution will expire on June 30, 2015, at which time a mail ballot election will be required to exceed an LOB of 30.0 percent;
- Established the K-12 Student Performance and Efficiency Commission;
- Revised teacher licensure requirements;
- Revised the capacities every student in Kansas public schools should achieve, known as the Rose standards;
- Increased the maximum number of public innovative school districts authorized from 10.0 percent to 20.0 percent of all school districts. (Prior law authorized 10.0 percent). The additional 10.0 percent can operate as Public Innovative Districts, if the school district operates a school that is either a Title I Focus School (low performing) or a Title I Priority School (contains a high proportion of low-income students);
- Eliminated due process rights for K-12 public school teachers;
- Established a Tax Credit for the Low Income Students Scholarship program;
- Notified teachers of coverage under the Kansas Tort Claims Act; and
- Required the State Board of Education develop a one-page budget summary document for publication by each local school district board.

## Department of Education

	FY 2014			FY 2015		
	SGF	All Funds	FTE	SGF	All Funds	FTE
<b>Agency Estimate/Request</b>	\$ 2,952,118,138	\$ 3,783,441,317	171.0	\$ 3,016,349,345	\$ 3,827,461,502	170.0
<b>Governor's Changes:</b>						
1. CRE - BSAPP at \$3,838	\$ 17,836,773	\$ 17,836,773	-	\$ -	\$ -	-
2. KPERS School Employer Contribution	(7,447,869)	(7,447,869)	-	(4,582,820)	(4,582,820)	-
3. Bond & Interest Aid	-	3,700,000	-	-	-	-
4. Special Education Maintenance of Effort	1,029,612	1,029,612	-	578,363	578,363	-
5. Technical Education Promotion	(25,000)	(25,000)	-	(50,000)	(50,000)	-
6. CRE - BSAPP at \$3,852	-	-	-	19,958,730	19,958,730	-
7. 1.5 Percent Base Pay Increase	-	-	-	49,486	112,234	-
8. All Day Kindergarten Phase In	-	-	-	16,300,000	16,300,000	-
9. Teaching Excellence Awards	-	-	-	375,000	375,000	-
<b>Total Governor's Recommendation</b>	<u>\$ 2,963,511,654</u>	<u>\$ 3,798,534,833</u>	<u>171.0</u>	<u>\$ 3,048,978,104</u>	<u>\$ 3,860,153,009</u>	<u>170.0</u>
Change from Agency Est./Req.	\$ 11,393,516	\$ 15,093,516	0.0	\$ 32,628,759	\$ 32,691,507	0.0
Percent Change from Agency Est./Req.	0.4 %	0.4 %	0.0 %	1.1 %	0.9 %	0.0 %
<b>Legislative Action:</b>						
10. State Assessment Fund	\$ -	\$ 1,100,000	-	\$ -	\$ 1,100,000	-
11. Teaching Excellence Awards	-	-	-	(47,500)	(47,500)	-
12. All Day Kindergarten	-	-	-	(16,300,000)	(16,300,000)	-
13. 1.5 Percent Base Pay Increase	-	-	-	(49,486)	(112,234)	-
14. Capital Outlay State Aid	-	-	-	25,200,786	25,200,786	-
15. Local Option Budget State Aid	-	-	-	109,265,000	109,265,000	-
16. General State Aid	-	-	-	(8,236,936)	(8,236,936)	-
17. KIDS Data System	-	-	-	82,500	82,500	-
18. State Public School Financing Levy (20 mills)	-	-	-	-	586,833,000	-
19. \$250 State Employee Bonus	-	-	-	32,555	66,903	-
<b>TOTAL APPROVED</b>	<u>\$ 2,963,511,654</u>	<u>\$ 3,799,634,833</u>	<u>171.0</u>	<u>\$ 3,158,925,023</u>	<u>\$ 4,558,004,528</u>	<u>170.0</u>
Change from Gov. Rec.	\$ 0	\$ 1,100,000	0.0	\$ 109,946,919	\$ 697,851,519	0.0
Percent Change from Gov. Rec.	0.0 %	0.3 %	0.0 %	3.6 %	18.1 %	0.0 %
Change from Agency Est./Req.	\$ 11,393,516	\$ 16,193,516	0.0	\$ 142,575,678	\$ 730,543,026	0.0
Percent Change from Agency Est./Req.	0.4 %	0.4 %	0.0 %	4.7 %	19.1 %	0.0 %

1. The Governor added \$17.8 million, all from the State General Fund, in FY 2014 for fall increased enrollments (2014 HB 2506).
2. The Governor deleted \$7.4 million, all from the State General Fund, from the KPERS Employer Contribution due to revised estimates in FY 2014; and \$4.6 million, all from the State General Fund, was deleted for FY 2015 (2014 HB 2506).
3. The Governor added \$3.7 million, a revenue transfer, in FY 2014 for fall increased bond and interest state aid (2014 HB 2506).
4. The Governor added \$1.0 million, all from the State General Fund, in FY 2014, and \$578,000, all from the State General Fund, for FY 2015 to ensure special education maintenance of effort requirements are met (2014 HB 2506).
5. The Governor deleted \$25,000, all from the State General Fund, in FY 2014, and \$50,000, all from the State General Fund, for FY 2015, for the marketing of career and technical education initiatives (2014 HB 2506).
6. The Governor added \$20.0 million, all from the State General Fund, for FY 2015 for fall enrollment increases (2014 HB 2506).
7. The Governor added \$112,234, including \$49,486 from the State General Fund, for a 1.5 percent base pay increase for classified employees in the Executive Branch for FY 2015.

8. The Governor added \$16.3 million, all from the State General Fund, for FY 2015 for the first year of a five year phase in of all day kindergarten (2014 HB 2506).
9. The Governor added \$375,000, all from the State General Fund, for FY 2015 for teaching excellence awards (2014 HB 2506).
10. The Legislature created a State Assessment Fund in FY 2014 to fund additional costs associated with creating and implementing state assessments, and added \$1.1 million, all from the State Safety Fund, to be placed in the newly-created State Assessment Fund for FY 2014 and FY 2015. In prior years, \$1.1 million was transferred from the State Safety Fund to the State General Fund. This transfer was deleted for both fiscal years (2014 HB 2506).
11. The Legislature deleted \$47,500, all from the State General Fund, for FY 2015 for the teaching excellence awards (2014 HB 2506).
12. The Legislature deleted \$16.3 million, all from the State General Fund, for FY 2015 for the first year of a five year phase in of all day kindergarten (2014 HB 2506).
13. The Legislature deleted \$112,234, including \$49,486, from the State General Fund, for a 1.5 percent base pay increase for classified employees in the Executive Branch for FY 2015 (HB 2506).
14. The Legislature added \$25.2 million, all from the State General Fund, for FY 2015 to fund the estimated full funding of capital outlay state aid (2014 HB 2506).
15. The Legislature added \$109.3 million, all from the State General Fund, for FY 2015 to fund the estimated full funding of local option budget state aid (2014 HB 2506).
16. The Legislature changed the school finance formula by eliminating part-time students from the at-risk weighting which reduced general state aid by \$3.4 million, all from the State General Fund. In addition, the Legislature eliminated the nonproficient weighting which reduced general state aid by \$4.9 million, all from the State General Fund. These two items totaled \$8.2 million for FY 2015 (2014 HB 2506).
17. The Legislature added \$82,500, all from the State General Fund, for FY 2015 for funding of the KIDS data system (2014 HB 2506).
18. The Legislature required the 20 mill statewide property tax levy to become part of state public school financing which resulted in an increase in revenues to the state of \$586.8 million (2014 SB 245).
19. The Legislature added \$66,903, including \$32,555 from the State General Fund, for FY 2015 for employee bonuses of \$250 for all full-time employees except elected officials who were employed on December 6, 2013, and which will be paid on December 6, 2014.