

SENATE SUBCOMMITTEE REPORT

FY 1984 APPROPRIATIONS -- H.B. 2064

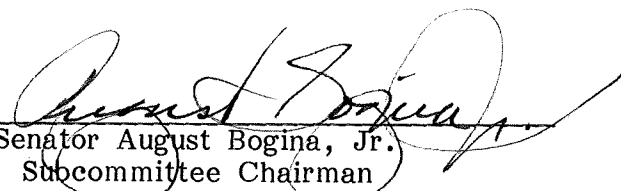
SECTIONS PERTAINING TO:

Advisory Council on Vocational Education

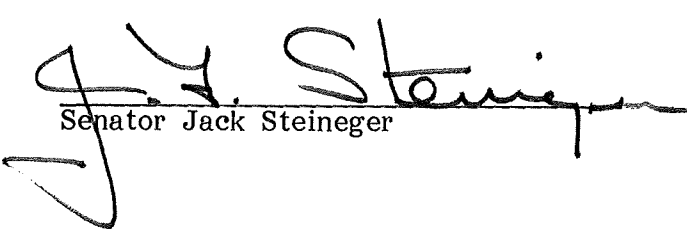
School for the Visually Handicapped

School for the Deaf

Department of Revenue -- School District Income Tax Fund



Senator August Bogina, Jr.
Subcommittee Chairman



Senator Jack Steineger

SUBCOMMITTEE REPORT

Department of Revenue
 Agency: School District Income Tax Fund Bill No. 2135 Bill Sec. 7
 Analyst: Ahrens Analysis Pg. No. 14 Budget Pg. No. 3-77

<u>Expenditure Summary</u>	<u>Agency Req. FY 83</u>	<u>Governor's Rec. FY 83</u>	<u>Subcommittee Adjustments</u>
Aid to Local Units: State General Fund	\$ 83,131,284	\$ 83,241,284	--
F.T.E. Positions	--	--	--

Agency Request/Governor's Recommendations

The agency's estimate of expenditures for FY 1983 were prepared prior to consensus revenue estimates. The recommendation of the Governor adjusts the estimated expenditures to the consensus estimate of distributions. The Governor also recommends that a limitation be placed on expenditures from the School District Income Tax Fund in the amount of the revised estimate. In the past, the Fund has been appropriated without an expenditure limitation.

House Subcommittee Recommendation

The Subcommittee concurs with the recommendations of the Governor as to both the estimated amount of expenditures and placing a limitation on expenditures from the Fund.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendation of the House Subcommittee.

SUBCOMMITTEE REPORT

Department of Revenue
 Agency: School District Income Tax Fund Bill No. 2064 Bill Sec. 3
 Analyst: Ahrens Analysis Pg. No. 14 Budget Pg. No. 3-77

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustments</u>
Aid to Local Units:			
State General Fund	\$ 88,500,000	\$ 89,970,000	--
F.T.E. Positions	--	--	--

Agency Request/Governor's Recommendations

The agency's estimate of expenditures for FY 1984 were prepared prior to consensus revenue estimates. The recommendation of the Governor adjusts the estimated expenditures to the consensus estimate of distributions. The Governor also recommends that a limitation be placed on expenditures from the School District Income Tax Fund in the amount of the revised estimate. In the past, the Fund has been appropriated without an expenditure limitation.

House Subcommittee Recommendation

The Subcommittee concurs with the recommendations of the Governor as to both the estimated amount of expenditures and placing a limitation on expenditures from the Fund.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendation of the House Subcommittee.

SUBCOMMITTEE REPORT

Agency: School for the Visually Handicapped Bill No. 2135 Bill Sec. 1

Analyst: Brown Analysis Pg. No. 15 Budget Pg. No. 3-87

<u>Expenditure Summary</u>	<u>Agency Req. FY 83</u>	<u>Governor's Rec. FY 83*</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 1,710,530	\$ 1,698,777	\$ (35,621)
Capital Improvements	69,700	112,500	
TOTAL	<u>\$ 1,780,230</u>	<u>\$ 1,811,277</u>	<u>\$ (35,621)</u>
State General Fund:			
State Operations	\$ 1,652,870	41,641,117	\$ (35,621)
Capital Improvements	—	—	
TOTAL	<u>\$ 1,652,870</u>	<u>\$ 1,641,117</u>	<u>\$ (35,621)</u>

* Includes Governor's Budget Amendment No. 1.

Agency Request/Governor's Recommendation

When the agency initially submitted its budget, it included an FY 1984 request for capital improvement funding to repair the kitchen drain. Subsequently, emergency repair was required to keep the kitchen in operation, at a cost in excess of the original FY 1984 request. These repairs were completed in December and the Governor recommends, in Budget Amendment No. 1, a supplemental appropriation of \$42,800 from the State Institutions Building Fund.

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation with the following adjustments:

1. Reduction of \$20,621 in salaries and wages, available due to a calculation error. This sum is to be reappropriated to finance an 8 percent teacher salary increase in FY 1984.
2. Reduction of \$20,000 for utilities, based on anticipated savings.
3. Addition of \$5,000 to provide continued student therapy services. The School has recently discontinued purchase of therapy services because it had already exceeded budgeted expenditures in this area.

House Committee Recommendation

The Committee concurs with the Subcommittee recommendation.

Senate Subcommittee Recommendations

The Subcommittee concurs with the House adjustments.

SUBCOMMITTEE REPORT

Agency: School for the Visually Handicapped Bill No. 2064 Bill Sec. 4
 Analyst: Brown Analysis Pg. No. 15 Budget Pg. No. 3-87

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustment</u>
All Funds:			
State Operations	\$ 1,946,948	\$ 1,688,696	\$ 33,804
Capital Improvements	313,700	24,900	27,600
TOTAL	<u>\$ 2,260,648</u>	<u>\$ 1,713,596</u>	<u>\$ 61,404</u>
State General Fund:			
State Operations	\$ 1,900,898	\$ 1,642,646	\$ (9,347)
Capital Improvements	—	—	—
TOTAL	<u>\$ 1,900,898</u>	<u>\$ 1,642,646</u>	<u>\$ (9,347)</u>
F.T.E. Positions	82.4	75.3	2.6

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation with the following exceptions:

1. Addition of \$43,151 and 2.6 F.T.E. positions to reinstate the secondary level deaf-blind program. The Subcommittee believes that the School is the most appropriate placement for these students and does not think this program should be eliminated. The School anticipates unbudgeted carryover of federal funds (\$12,358) sufficient to finance one of the needed positions (0.8 F.T.E.). The Subcommittee recommends that the additional financing of \$30,793 be provided through a transfer from Special Education Services Aid and that a proviso be added to the Department of Education's appropriation to that effect. The Subcommittee notes that local school districts are not financially responsible for students who are attending the School and believes this financing mechanism provides appropriate "insurance" for the costs associated with serving this kind of exceptionality.
2. Addition of \$20,621 to finance an 8 percent salary increase for the School's faculty. The Subcommittee believes that teachers at the School should be paid comparably to teachers in surrounding school districts and the 8 percent represents an attempt to compensate for current discrepancies and to anticipate to some degree salary increases for school district teachers in the 1984-85 school year. The Subcommittee would note that this increase is financed through current year savings.
3. Deletion of \$29,968 to remove the 4 percent cost-of-living adjustment for non-teaching personnel.
4. Addition of \$27,600 from the State Institutions Building Fund to replace the stairway in the maintenance building and to provide for roof repair and repair to the retaining wall at the Health Center, as recommended by the Joint Committee on State Building Construction.

House Committee Recommendation

The Committee concurs with the Subcommittee recommendation with the following exception:

1. Finance \$30,793 for the deaf-blind program from the unencumbered balance in the current year appropriation to the Department of Education for Educable Deaf-Blind and Severely Handicapped Children's Programs Aid.

Senate Subcommittee Recommendation

The Subcommittee concurs with the House recommendations with the following adjustments:

1. Addition of \$5,155 to finance a 9 percent increase in faculty salaries instead of the 8 percent recommended by the House. The Subcommittee believes the teachers at the School should be paid comparably to those in surrounding districts. The 9 percent increase is intended both to compensate for current discrepancies and in anticipation of an average 4 percent salary increase for teachers in the local districts.
2. A change in the financing of the \$30,793 needed for continuation of the deaf/blind program. The House financed this appropriation by reducing the current year funding for the Department of Education's grants to local units for deaf/blind children. The Subcommittee believes each program should stand on its own merit, and that the School's program should not be funded at the expense of other needs.
3. Addition of \$11,582 for the salary and fringe benefits of a dormitory teacher (1 F.T.E.). The School's student population has increasingly included the multiply handicapped who require more supervision.

<u>Expenditure Summary</u>	<u>House Adjustments</u>	<u>Total House Recommendation</u>	<u>Senate Subcommittee Adjustments</u>
All Funds			
State Operations	\$ 33,804	\$1,722,500	\$ 16,737
Capital Improvements	27,600	52,500	--
TOTAL	<u>\$ 61,404</u>	<u>\$1,775,000</u>	<u>\$ 16,737</u>
State General Fund			
State Operations	\$ 21,446	\$1,664,092	\$ 16,737
Capital Improvements	--	--	--
TOTAL	<u>\$ 21,446</u>	<u>\$1,664,092</u>	<u>\$ 16,737</u>
F.T.E. Positions	2.6	77.9	1.0

SUBCOMMITTEE REPORT

Agency: Kansas State School for the Deaf Bill No. 2135 Bill Sec. -
 Analyst: Brown Analysis Pg. No. 19 Budget Pg. No. 3-1

<u>Expenditure Summary</u>	<u>Agency Req. FY 83</u>	<u>Governor's Rec. FY 83</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 3,654,629	\$ 3,578,609	\$ 518
Capital Improvements	1,925,168	1,925,168	
TOTAL	<u>\$ 5,579,797</u>	<u>\$ 5,503,777</u>	<u>\$ 518</u>
State General Fund:			
State Operations	\$ 3,298,408	\$ 3,281,364	\$ (58,458)
Capital Improvements	—	—	
TOTAL	<u>\$ 3,298,408</u>	<u>\$ 3,281,364</u>	<u>\$ (58,458)</u>

Agency Request/Governor's Recommendations

In early February, the School submitted a request for an expenditure limitation increase of \$58,976, comprised of a \$19,175 increase in the Vocational Education Fund - Federal and a \$39,801 increase in the Elementary and Secondary Education Act - Federal Fund. These additional dollars represent both carry over balances and higher than anticipated receipts. The School proposes to use the funds for the purchase of two word processors and drafting equipment for the vocational program, library books, salaries, replacement of an audiometer and purchase of other equipment and materials. Because of the timing of this request, a Governor's budget amendment would be necessary to indicate his recommendation, but one has not yet been issued.

House Subcommittee Recommendations

The Subcommittee concurs with the Governor's recommendations with the following adjustments:

1. A \$40,000 reduction in salaries and wages based on anticipated savings.
2. A \$18,458 reduction for utilities; costs in this area have not been as high as the School previously projected.

The Subcommittee recommends that these amounts be reappropriated to finance an 8 percent increase for the School's faculty in FY 1984.

3. Increase the expenditure limitation on the federal funds by \$58,976 as requested. The Subcommittee would note that during hearings held at the School, both staff and parents endorsed reinstatement of a summer program that the School conducted once before with federal funds. The Subcommittee believes that this program has merit and would encourage the School to reexamine the proposed use of the additional federal funding to determine if the necessary funds might be diverted to the summer program to better advantage and recommends that the program be internalized into the School's budget in future years. The Subcommittee wants to make it clear, however, that this decision should rest with the School administration and the parents, since the program that is envisioned requires a significant degree of parental involvement and support.

House Committee Recommendation

The Committee concurs with the Subcommittee recommendation.

Senate Subcommittee Recommendation

The Subcommittee concurs with the House recommendation.

SUBCOMMITTEE REPORT

Agency: Kansas State School for the Deaf Bill No. 2064 Bill Sec. 5

Analyst: Brown Analysis Pg. No. 19 Budget Pg. No. 3-1

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustment</u>
All Funds:			
State Operations	\$ 4,086,844	\$ 3,800,512	\$ 3,963
Capital Improvements	790,800	737,800	
TOTAL	<u>\$ 4,877,644</u>	<u>\$ 4,538,312</u>	<u>\$ 3,963</u>
State General Fund:			
State Operations	\$ 3,812,554	\$ 3,526,222	\$ 3,963
Capital Improvements	—	—	
TOTAL	<u>\$ 3,812,554</u>	<u>\$ 3,526,222</u>	<u>\$ 3,963</u>
F.T.E. Positions	174.5	173.0	—

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendations with the following adjustments:

1. Addition of \$58,458 to finance an 8 percent salary increase for the School's faculty. The Subcommittee believes that teachers at the School should be paid comparably to teachers in surrounding school districts and the 8 percent represents an attempt to compensate for current discrepancies and to anticipate to some degree salary increases for school district teachers in the 1984-85 school year. The Subcommittee would note that this increase is financed through current year savings.
2. A reduction of \$54,495 to remove the 4 percent cost-of-living adjustment for nonfaculty personnel.

House Committee Recommendation

The Committee concurs with the Subcommittee recommendation.

Senate Subcommittee Recommendation

The Subcommittee concurs with the House recommendations with the following adjustments:

1. Addition of \$14,614 to finance a 9 percent increase in faculty salaries instead of the 8 percent recommended by the House. The Subcommittee believes the teachers at the School should be paid comparably to those in surrounding districts. The 9 percent increase is intended both to compensate for current discrepancies and in anticipation of an average 4 percent salary increase for teachers in the local districts.

SUBCOMMITTEE REPORT

Agency: Advisory Council on Vocational Education Bill No. 2064 Bill Sec. 7
 Analyst: Goering Analysis Pg. No. 43 Budget Pg. No. 3-91

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustments</u>
State Operations:			
All Funds	\$ 115,511	\$ 105,075	\$ (4,054)
State General Fund	—	—	—
F.T.E. Positions	2.0	2.0	—

House Subcommittee Recommendation

FY 1983. The Subcommittee concurs with the Governor's recommendation totaling \$105,269 for the current year operating budget.

FY 1984. The Subcommittee concurs with the Governor's recommendation with the following adjustments:

1. Deletion of \$2,778 in expenditure authority associated with the recommended 4 percent cost-of-living increase.
2. Deletion of \$1,276 in expenditure authority recommended to finance rent payments for space leased from the Department of Education. The Subcommittee learned that the budgeted sum of \$2,553 recommended by the Governor for such lease costs assumes payment of \$6.90 per square foot annually for 370 square feet. The Subcommittee learned that the Department of Education pays only \$2.99 per square foot plus utilities for such space. Furthermore, the Subcommittee Chairman visited the Department of Education and noted that the space actually utilized by this agency appears to be less than 370 square feet. The Subcommittee is of the opinion that \$3.45 per square foot for 370 square feet is adequate to reimburse the Department of Education for its actual costs associated with space utilized by the Advisory Council for Vocational Education.

The Subcommittee notes that the agency is working jointly with the Advisory Council on Community Colleges to develop proposed guidelines for the State Board of Education on the future of postsecondary vocational and community education programs in Kansas. The Subcommittee is strongly supportive of the efforts of the Joint Committee, and recommends that the proposal, which is anticipated to be presented to the State Board in June, 1983, be reviewed and studied by a 1983 interim committee of the Legislature.

House Committee Recommendation

The Committee concurs with the Subcommittee recommendations.

House Committee of the Whole Recommendation

The House concurs with the House Committee recommendations.

Senate Subcommittee Recommendation

<u>Expenditure Summary</u>	<u>Governor's Original Rec.</u>	<u>House Adjustments</u>	<u>Governor's Budget Amendment*</u>	<u>Senate Adjustments to House Rec.</u>
State Operations:				
All Funds	\$ 105,075	\$ (4,054)	\$ 8,020	\$ 7,954
State General Fund	—	—	—	—

* Governor's Budget Amendment No. 4, Item 5.

The Senate Subcommittee acknowledges receipt of Governor's Budget Amendment No. 4, Item 5, which recommends increases in budgeted expenditures of \$5,289 for FY 1983 and \$8,020 for FY 1984 compared to the original amounts recommended by the Governor. The Subcommittee notes that the amendment was submitted on March 14, 1983, subsequent to the House Committee's review of the Advisory Council's budget.

FY 1983. The Senate Subcommittee concurs with the Governor's recommendation, as amended, for a total FY 1983 operating budget of \$110,558. To implement this recommendation, a new section will be required for inclusion in H.B. 2135 to authorize the necessary increase in the agency's expenditure limitation for FY 1983.

FY 1984. The Senate Subcommittee concurs with the adjustments recommended by the House Committee and the amendment submitted by the Governor on March 14, 1983, with the following adjustment:

1. Deletion of \$66 from the increased expenditures recommended by the Governor on March 14, 1983, an amount which reflects the 4 percent cost-of-living increase included in the amendment.

<u>Expenditure Summary</u>	<u>House Adjustments</u>	<u>Total House Recommendation</u>	<u>Senate Subcommittee Adjustments</u>
All Funds			
State Operations	\$ 3,963	\$ 3,804,475	\$ 14,614
Capital Improvements	—	737,800	—
TOTAL	<u>\$ 3,963</u>	<u>\$ 4,542,275</u>	<u>—</u>
State General Fund			
State Operations	\$ 3,963	\$ 3,530,185	\$ 14,614
Capital Improvements	—	—	—
TOTAL	<u>\$ 3,963</u>	<u>\$ 3,530,185</u>	<u>\$ 14,614</u>