

Approved: 1/18/95
Date

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairperson Robin Jennison at 2:30 p. m. on January 11, 1995 in Room 514-S of the Capitol.

All members were present except:
Representative Bradley, excused
Representative Dean, excused

Committee staff present: Russell Mills, Legislative Research Department
Mike Corrigan, Revisor of Statutes
Lenore Olson, Committee Secretary

Conferees appearing before the committee:
Dr. Dale Dennis, Deputy Commissioner, Department of Education

Others attending: See attached list

Dr. Dale Dennis, Deputy Commissioner, Department of Education, presented a briefing on the Department's Fiscal Year 1996 budget request. Dr. Dennis explained in detail the school district finance formula. Regarding the Supplemental General Fund, Dr. Dennis said the State Board of Education recommended the local option budget (LOB) be left at 25 percent as provided by current law regardless of base state aid per pupil. According to Dr. Dennis, 143 schools have an LOB during the current school year. In the area of funding for special education, the 1996 Fiscal Year recommendation by the Board is for an additional \$25,200,147.00. The Board also recommended the credit hour state aid for community colleges be increased from \$28 to \$33; elimination of out-district tuition and an increase in out-district state aid in an equal amount (\$24).
(Attachment 1).

Chairperson Jennison directed the Committee to turn their attention to the introduction of new bills.

A motion was made by Representative Helgerson, seconded by Representative Gatlin, to introduce the Governor Graves' budget bills. The motion carried.

A motion was made by Representative Helgerson, seconded by Representative Kline, to introduce a bill with the intent to even out the workload between House Appropriations and Senate Ways and Means. The motion carried.

The minutes of January 10, 1995, were approved as read.

The next meeting is scheduled for January 12, 1995.

KANSAS STATE BOARD OF EDUCATION

PRESENTATION OF FISCAL YEAR 1996 BUDGET REQUEST

TO

HOUSE COMMITTEE ON APPROPRIATIONS

JANUARY 11, 1995

1/11/95

House Appropriations Cmte
attachment 1

HOUSE COMMITTEE ON APPROPRIATIONS
JANUARY 11, 1995

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**KANSAS STATE BOARD OF EDUCATION
FY 1996 BUDGET REQUEST**

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	FY 1994 ACTUAL	REVISED FY 1995 BUDGET REQUEST	REVISED FY 1996 LEVEL B REQUEST	REVISED FY 1996 LEVEL C REQUEST
	-----	-----	-----	-----
GENERAL STATE AID	1,270,277,127	1,311,673,000	1,303,128,000	1,524,857,800
SUPPLE. GENERAL STATE AID	35,961,675	40,271,000	52,180,000	53,152,338
STATE SCHOOL DIST. FINANCE FUND	26,308,923	32,259,000	32,600,000	32,600,000
CAPITAL IMPROVEMENT FUND	7,060,745	11,500,000	16,500,000	16,500,000
INSERVICE EDUC AID	2,475,000	5,400,000	6,210,000	6,210,000
JUVENILE DETENTION FACILITIES	0	2,020,580	2,224,800	2,472,000
COMM COLL CR HR AID	35,914,884	36,890,631	37,628,388	49,033,644
COMM COLL OUT-DIST AID	11,520,773	11,986,248	12,225,960	24,451,920
COMM COLL GEN ST AID	2,640,728	2,642,795	2,695,651	6,722,079
SCH FD ASSIST FUND	2,485,381	2,510,486	2,510,486	2,510,486
AID TO AVTS FOR INST EQ	990,000	1,500,000	1,500,000	2,000,000
TECH GRANT TO AVTS & CC	491,760	495,000	495,000	500,000
SP ED SERVICES AID	149,025,642	177,496,853	189,859,089	202,697,000
POSTSEC AID FOR VOC ED	21,270,989	23,455,249	23,807,078	24,628,011
ADULT BASIC ED	771,986	800,000	800,000	1,200,000
EDUC DEAF-BLIND PRG	99,000	100,000	100,000	100,000
KS FD FOR AGR GRANT	24,750	25,000	25,000	25,000
CULTURAL HERITAGE	24,750	25,000	25,000	25,000
INNOVATIVE PROGRAMS	1,485,000	1,485,000	1,485,000	2,000,000
PARENT EDUC PROG	2,277,319	2,500,000	2,575,000	3,000,000
KPERS Employer Contribution	0	59,894,000	63,882,605	63,882,605
STATE OPERATIONS	<u>7,316,641</u>	<u>7,741,512</u>	<u>7,785,226</u>	<u>8,474,699</u>
TOTAL SGF and SSDFF	1,570,443,943	1,723,441,354	1,750,712,283	2,015,992,582
TOTAL SGF, SSDFF and EDIF	1,578,423,073	1,732,671,354	1,760,242,283	2,027,042,582

SCHOOL DISTRICT FINANCE AND QUALITY PERFORMANCE AID

Form 150--Estimated Legal Maximum Budget and Local Option Budget

Form 148--Estimated General State Aid

General Fund Revenue Page--U.S.D. Budget Document

Low Enrollment Weighting Table

School District Finance and Quality Performance Act--Formula for Computing General State Aid

STATE BOARD OF EDUCATION
FISCAL YEAR 1996 RECOMMENDATIONS

- * School districts with approved applications for four-year-old at-risk students would be given the opportunity to count each student a .5 FTE under the School District Finance and Quality Performance Act. Students would be counted in the transportation formula along with the appropriate weighting for bilingual students.

FY 1996 ADDITIONAL COST--\$ 6,000,000

- * Increase base state aid per pupil from \$3,600 to \$4,000 and increase the number of school days from 186 to 200 days over a four-year period. The recommendation for the 1995-96 school year would be an increase of 3.5 days.

FY 1996 ADDITIONAL COST--\$ 215,730,280

1994-95
ESTIMATED LEGAL MAXIMUM BUDGET AND LOCAL OPTION BUDGET
FOR UNIFIED SCHOOL DISTRICT NO. 343

(This form should be included with the budget document and filed with the State Board of Education)

General Fund Budget - Lines 1 through 9

- 1. Estimated 9-20-94 FTE enrollment (from Table I, if enrollment declined) .. = 954.0
2. Estimated weighted enrollment for districts under 1,900 FTE. 9-20-94 FTE enrollment (Line 1) 954.0 x 0.341703 factor (from Table II).... = 326.0
3. Estimated weighted bilingual education enrollment. 9-20-94 bilingual FTE(a) 0 x .2..... = 0.0
4. Estimated weighted vocational education enrollment. 9-20-94 vocational education FTE(b) 8.3333 x .5..... = 4.2
5. Estimated weighted at-risk student enrollment(c). Number of eligible students that qualify for free lunches as of 9-20-94 142 x .05..... = 7.1
6. Estimated weighted FTE for new facilities. 9-20-94 enrollment of students attending a new facility(d) x .25..... = 0
7. Estimated weighted FTE for transportation. (Table III, Line 5) = 75.8
8. Estimated 9-20-94 FTE weighted enrollment (Lines 1+2+3+4+5+6+7) = 1367.1
9. Estimated 1994-95 operating budget. Line 8 1367.1 x \$3,600..... = \$ 4,921,560

Local Option Budget

- 10. Maximum local option budget. Line 9 4,921,560 x 8 %(e) = \$ 393,725
11. Additional authority authorized by State Board of Tax Appeals for operation of new facilities = \$

APPROVED COURSES/CLASSES/PLAN LISTED BELOW MUST QUALIFY UNDER K.S.A. 72-6407 et. seq.

- (a) FTE is computed by taking the total clock hours of bilingual students who are enrolled and attending in an approved bilingual class on 9-20-94 and dividing by 6 (cannot exceed 6 hours for an individual student). Total clock hours + 6 = 0.0 (Record on Line 3)
(b) FTE is computed by taking the total clock hours of vocational education students who are enrolled and attending in an approved vocational class on 9-20-94 and dividing by 6 (cannot exceed 6 hours for an individual student). Total clock hours + 6 = 8.3333 (Record on Line 4)
(c) USD must have an approved at-risk pupil assistance plan for the school district.
(d) The weighting for this category cannot be utilized unless a local option budget of 25% was utilized by your school district. See additional definition on the bottom of Page 2.
(e) This amount cannot exceed 25%. The percentage placed on this line would be the amount which was adopted by your school district which did not receive a protest petition or the amount approved at an election if a protest petition was approved.

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TABLE I

Declining Enrollment Provision
(Only for USDs with declining enrollments)

1. September 20, 1993, FTE enrollment	=	<u>940.0</u>
2. September 20, 1994, FTE enrollment	=	<u>954.0</u>
3. Difference (Line 1 - Line 2)	=	<u>0.0</u>
4. 4% of September 20, 1993 FTE enrollment (Line 1 x .04)	=	<u>0</u>
5. Lower of Line 3 or Line 4	=	<u>0.0</u>
6. 50% of Line 5 (Line 5 x 50%)	=	<u>0</u>
7. Adjusted September 20, 1994, FTE enrollment (Line 6 + Line 2)	=	<u>954.0</u>

(insert on Line 1, Page 1)

TABLE II
(See attached Pages 3 & 4 for factor)

The following calculation is the method we used to compute the low enrollment factor on the attached pages:

<u>Enrollment of District</u>	<u>Factor</u>
0 - 99.9	1.141565
100 - 299.9	{[7337 - 9.655 (E - 100)] ÷ 3426} - 1
300 - 1,899.9	{[5406 - 1.237500 (E - 300)] ÷ 3426} - 1
1,900 and over	-0-

"E" is 9-20-94 FTE Enrollment (from Line 1, Page 1)

TABLE III

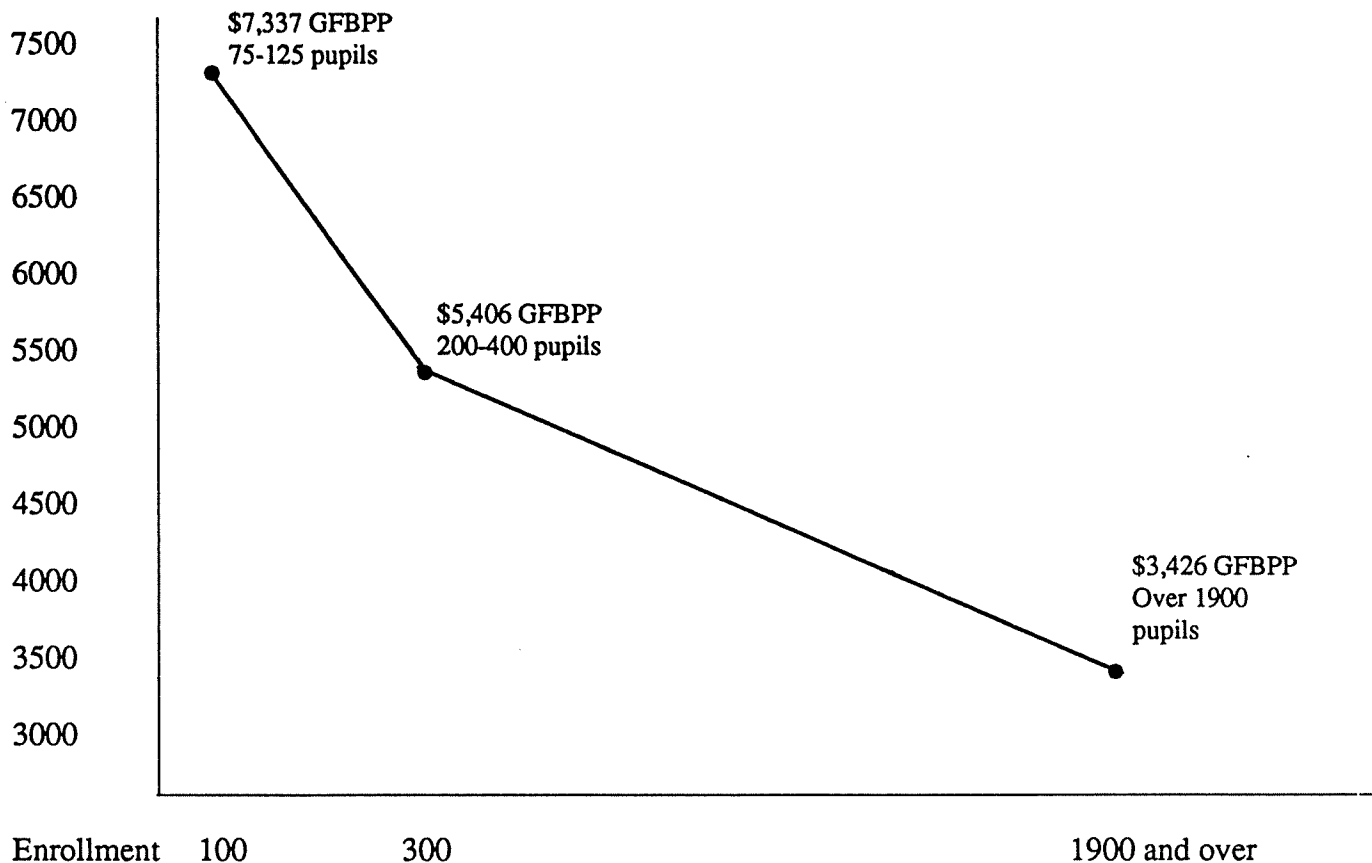
1. Area of district in square miles 9-20-94.	=	<u>153.0</u>
2. All public pupils transported who reside in the district 2.5 miles or more or for whom transportation is being made available 9-20-94 (Estimated).	=	<u>583.0</u>
3. Index of density = Line 2 <u>583</u> divided by Line 1 <u>153.0</u>	=	<u>3.81</u>
4. Using index of density (Line 3), determine amount from density factor table on attached Pages 5 and 6	=	<u>0.1300</u>
5. Estimated weighted FTE for transportation. 9-20-94 number of students over 2.5 miles (Line 2) <u>583.0</u> x <u>0.1300</u> factor (Line 4) (to Line 7, Page 1)	=	<u>75.8</u>

School Facilities Definition - School facilities weighting is available for school districts whose local option budget (LOB) is 25 percent of its general fund and have constructed an entirely new facility or an addition to an existing facility. The determination of weighting will be based upon the number of full-time equivalent (FTE) students that are enrolled and attending in the new facility on September 20. In the case of school districts that have constructed an addition to existing facilities, the number of students that are enrolled and attending in the new addition will be counted on a full-time equivalent basis. The additional weighting for this provision of the law is applicable for two years only. For a new facility the FTE is for the entire building. For additions to an existing facility, the following calculating would be utilized.

Student hours of instruction in classrooms of new additions only (September 20) _____ ÷ 6 = Full-time equivalent enrollment

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LOW ENROLLMENT WEIGHTING TABLE



GFBPP = General Fund Budget Per Pupil

LOW ENROLLMENT WEIGHTING FORMULA

Enrollment of District	Factor
0-99.9	1.141565
100 - 299.9	$\{ [7337 - 9.655 (E-100)] + 3426 \} - 1$
300 - 1,899.9	$\{ [5406 - 1.237500 (E - 300)] + 3426 \} - 1$
1,900 and over	-0-

"E" is 9-20-91 FTE Enrollment

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CORRECTED COPY

KANSAS STATE BOARD OF EDUCATION

Form 5-212-148
Rev. 5/94

FORM 148

1994-95 ESTIMATED GENERAL FUND STATE AID FOR UNIFIED SCHOOL DISTRICT NO. 343

(This form should be included with the budget document and filed with the State Board of Education)

1.	1994-95 General Fund Budget (Form 150, Line 9)	=	<u>4,921,560</u>
2.	Estimated Local Effort		
	a. 1994-95 Tax Levy 1-1-95 to 6-30-95 (from Table I, Line 5).	=	<u>477,818</u>
	b. 1994-95 Tax In Process (Form 110, Line 10) (General Fund only)	=	<u>228,422</u>
	c. 1994-95 Delinquent Tax (Form 110, Line 11, General Fund and Transportation only) x .667.	=	<u>6,779</u>
	d. 1994-95 Motor Vehicle Tax (General Fund and Transportation only).	=	<u>260,587</u>
	e. 1994-95 Mineral Production Tax.	=	<u> </u>
	f. 1994-95 In Lieu of Tax Payments on IRB's (Gen. Fund & Transp. only)	=	<u> </u>
	g. 1994-95 Federal Impact Aid (PL 874).	=	<u>10,000</u>
	h. 6-30-94 Unencumbered Cash Balances (General, Transportation, Bilingual and Vocational Education Funds)	=	<u>35,893</u>
3.	Total (2a+2b+2c+2d+2e+2f+2g+2h).	=	<u>1,019,499</u>
4.	1994-95 Estimated General State Aid (Line 1 - Line 3; If negative, insert 0)	=	<u>3,902,061</u>

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TABLE I

1.	1993-94 General Fund Tax Levied (Form 110, Line 2)	=	<u>691,350</u>
2.	1993-94 General Fund Tax Levy Collected 1-1-94 through 6-30-94	=	<u>449,378</u>
3.	Collection Ratio (Line 2 ÷ Line 1, carry to 3 decimal places).	=	<u>650</u>
4.	1994-95 Tax Levied (35 mills x 1994 assessed valuation).	=	<u>735,105</u>
5.	1994-95 Tax Levy 1-1-95 to 6-30-95 (Line 3 x Line 4).	=	<u>477,818</u>

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STATE OF KANSAS
Budget Form USD-E
1994-95

GENERAL	Code 06 Line	12 mo. 1992-93 Actual (1)	12 mo. 1993-94 Actual (2)	12 mo. 1994-95 Budget (3)
UNENCUMBERED CASH BALANCE JULY 1	01	683,202	4,657	15,893
UNENCUMBERED CASH BALANCE FROM TRANSPORTATION, BILINGUAL ED AND VOCATIONAL ED FUNDS	02	2,368	12,368	20,000
REVENUE:				
1000 LOCAL SOURCES				
1110 Ad Valorem Tax Levied				
91 \$	05	407,781		
*92 \$	10	435,968	199,680	Form 110 Ln 10
93 \$	15		449,378	228,422
94 \$	20			477,818
*1140 Delinquent Tax	25	14,897	16,648	6,779
1300 Tuition				
1312 Individuals (OutDist)	30			
1316 Indiv (Summer OutDist)	35			
1320 Oth Sch Dist in State	40			
1330 Oth Sch Dist Out State	45			
1700 Student Activities(Reimb)	50			
1900 Oth Rev From Local Source				
1910 User Charges	55			
1980 Reimbursements	60			
2000 COUNTY SOURCES				
*2400 Motor Vehicle Tax	70	276,484	258,224	260,587
*2800 In Lieu of Taxes IRBs	85			0
3000 STATE SOURCES				
3110 General State Aid	95	2,298,537	3,629,430	3,902,061
3130 Mineral Production Tax	115			
4000 FEDERAL SOURCES				
4590 Other Res Grants in Aid				
4591 Chapter I	130			
4592 Chapter II	135			
4599 Other	140	14,365	15,864	
4820 PL 874 (Exclude Extra Aid for Children on Indian Land and Low Rent Housing)	145	39,642	42,888	10,000
5000 OTHER				
5208 Transfer From Supp Gen	165	0	0	0
RESOURCES AVAILABLE	170	4,173,244	4,629,137	4,921,560
TOTAL EXPENDITURES & TRANSFERS	175	4,168,587	4,613,244	4,921,560
EXCESS REVENUE TO STATE	200			0**
UNENCUMBERED CASH BAL JUNE 30	190	4,657	15,893	

* Include both General and Transportation amounts distributed. Any revenue received after July 1, 1994 as a result of the transportation tax levy must be deposited in the General Fund.

** Line 170 minus Line 175. (Column 3 only.)

*** Columns 1 & 2 would be amount sent to the State.

To Cert Pg, Code 01,
Ln 6, Col. 1 & Notice
of Hearing Pg, Code 99,
Ln 6, Col. 5

SCHOOL DISTRICT FINANCE AND QUALITY PERFORMANCE ACT

FORMULA FOR COMPUTING GENERAL STATE AID

STATE FINANCIAL AID	<u>minus</u>	LOCAL EFFORT	<u>equals</u>	GENERAL STATE AID
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Kansas Legislative Research Department
May 9, 1994

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PART A

STATE FINANCIAL AID

BASE STATE AID PER PUPIL (BSAPP)	<u>times</u>	ADJUSTED ENROLLMENT	<u>equals</u>	STATE FINANCIAL AID (SFA)
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The BSAPP is \$3,600. However, if the appropriation in a school year for general state aid is insufficient to pay school districts' computed entitlements, the State Board of Education will reduce BSAPP -- and, therefore, SFA -- as necessary to match school district entitlements with the amount of funding that is available.

**STATE FINANCIAL AID:
ENROLLMENT ADJUSTMENTS
AND ENROLLMENT DECREASES**

In addition to the regular full-time equivalent enrollment in a school district, enrollment adjustments are added in order to reflect higher costs associated with serving certain pupil populations, transporting pupils, operating low enrollment school districts, and adding new school facilities. There are six such weights.

Also, there is a "decreasing enrollment" feature which is designed to facilitate school district financial planning in the face of lower enrollments. This feature permits a school district with an enrollment decrease to base its SFA in the current school year partially on its enrollment in the preceding year.

ENROLLMENT ADJUSTMENTS

1. Low Enrollment*

This weight applies to school districts having "regular" enrollments of under 1,900. The weights are driven from 1991-92 school district general fund budgets per pupil. More specifically, the median budgets per pupil (BPP) at three points are used for applying a mathematical formula that produces uniform weight adjustments commensurate with enrollment variations.

Enrollment	Basis for Computing Weights	BPP Median	Median BPP Difference	Enrollment Range	Adjustment Factor	Calculation of BPP Used in Weight Adjustment
Under 100	BPP median of 75-125	\$7,337	NA	NA	NA	\$7,337
100-299	linear adjustment, from median of 75-125 to median of 200-399	\$7,337 \$5,406	\$ 7,337 \$ -5,406 \$ 1,931	200	$\frac{\$1,931}{200}$ equals \$9.655	\$7,337 minus \$9.655 (E-100) equals BPP used for computing low enrollment weight
300-1,899	linear adjustment, from median of 200-399 to median of 1,900 and over	\$5,406 \$3,426	\$ 5,406 \$ -3,426 \$ 1,980	1,600	$\frac{\$1,980}{1,600}$ equals \$1.2375	\$5,406 minus \$1.2375 (E-300) equals BPP used for computing low enrollment weight

* On December 16, 1993, this provision was declared unconstitutional by the judge of Division 3 of the Shawnee County District Court. An appeal of this finding and other matters currently is pending before the Kansas Supreme Court.

EXAMPLES: LOW ENROLLMENT ADJUSTMENT COMPUTATIONS

EXAMPLE 1

Enrollment = 95					
\$7,337.00		<u>\$3,911.00</u>	<u>equals</u>	1.141565	
-3,426.00	<u>then</u>	\$3,426.00		<u>then</u>	
\$ 3,911.00					
					95 = low enrollment adjustment of
					<u>x 1.141565</u> = 108.4
					108.448675

EXAMPLE 2

Enrollment = 200					
\$7,337.00 - \$9.655 (E-100) <u>equals</u> \$965.50, so					
\$7,337.00		\$6,371.50		\$ 2,945.50	
- 965.50	<u>then</u>	-3,426.00	<u>then</u>	\$ 3,426.00	<u>equals</u>
					.859749
					<u>then</u>
					200
					<u>x .859749</u> <u>equals</u>
					low enr-ollment a-djustment of 171.9
Adjusted BPP	\$6,371.50	\$2,945.50			171.949800

EXAMPLE 3 (USED FOR GENERAL STATE AID CALCULATION LATER IN THIS ILLUSTRATION)

Enrollment = 1,400					
\$5,406 - \$1.2375 (E-300) <u>equals</u> \$1,361.25 so					
\$5,406.00		\$4,044.75		\$ 618.75	
-1,361.25	<u>then</u>	-3,426.00	<u>then</u>	\$ 3,426.00	<u>equals</u>
					.180604
					<u>then</u>
					1,400
					<u>x .180604</u> <u>equals</u>
					low enroll-ment adjust-ment of 252.8
Adj. BPP	\$4,004.75	\$ 618.75			252.8456

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2. Transportation

This weight helps compensate school districts for providing transportation to public school pupils who reside 2.5 miles or more by the usually traveled road from the school attended.

The preceding year's cost of providing transportation to public and nonpublic school pupils, adjusted to net out costs of transporting pupils who live less than 2.5 miles from school, is determined. The resulting amount is divided by the number of public school pupils enrolled in the district who were residing 2.5 miles or more by the usually traveled road from the school attended and for whom transportation was made available by the district. The result (quotient) is the per pupil cost of transportation.

The per pupil cost of transportation of each district is then plotted on a density-cost graph. A statistical technique is employed to construct a "curve of best fit" for all school districts. (This procedure recognizes the relatively higher costs of per pupil transportation in sparsely populated areas as contrasted with densely populated areas.)

Based on a district's density (number of pupils enrolled in the district who reside 2.5 miles or more by the usually traveled road from school divided by the number of square miles in the district), the point on the curve of best fit is identified for each district. This is the formula per pupil cost of transportation of the district.

The formula per pupil cost then is divided by the BSAPP and the quotient is multiplied by the number of public school pupils in the current school year who live more than 2.5 miles from the school and for whom transportation is being provided. The result is the district's transportation weight enrollment adjustment.

EXAMPLE

1. From Density-Cost Graph: Formula Per Pupil Cost of Transportation = \$600
2. Number of pupils transported 2.5 miles or more in current year = 500
3. BSAPP = \$3,600

THEN

$\frac{\$ 600}{\$3,600} \text{ equals } .16667$	and	$\frac{500}{83.3500} \text{ so weight adjustment for transportation equals } 83.4$
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3. Vocational Education (Program Weight)

This weight is determined by multiplying the full time equivalent enrollment in vocational education programs approved by the State Board of Education by a factor of 0.5. Revenue generated by the weight must be spent for vocational education.

EXAMPLE

FTE Equivalent Vocational Education Enrollment (Sept. 20)		Factor		Vocational Education Program Weight Adjustment
60.0	<u>times</u>	0.5	<u>equals</u>	30.0

1-20

4. Bilingual Education (Program Weight)

This weight is determined by multiplying the full time equivalent enrollment in bilingual education programs approved by the State Board of Education by a factor of 0.2. Revenue generated by this weight must be spent for bilingual education.

EXAMPLE

<u>FTE Bilingual Program Enrollment (Sept. 20)</u>		<u>Factor</u>		<u>Bilingual Education Program Weight Adjustment</u>
40.0	<u>times</u>	0.2	<u>equals</u>	8.0

1-21

5. At-Risk Pupil

This weight is determined by multiplying the number of pupils of a district who qualify for free meals under the National School Lunch Program by a factor of .05. A further condition is that in order for it to obtain this weight, a school district must maintain an at-risk pupil assistance plan approved by the State Board of Education. All revenue generated by this weight must be spent for at-risk pupil programs.

Pupils who receive services under the plan are determined on the basis of at-risk factors and not by virtue of eligibility for free meals under the National School Lunch Program.

EXAMPLE

Number of Pupils Qualifying for Free Lunches (Sept. 20)		Factor		At-Risk Pupil Weight Adjustment
420	<u>times</u>	0.05	<u>equals</u>	21.0

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6. School Facilities Weight

This weight is assigned for costs associated with beginning operation of new school facilities. The enrollment in the new school facility is multiplied by a factor of .25 to produce the weight adjustment.

In order to qualify for this weight, the district must have utilized the full amount of the local option budget (LOB) authority authorized for the school year. This weight is available for two school years only – the year in which the facility operation is commenced and the following year.

EXAMPLE

Enrollment of Pupils in New School Facility (Sept. 20)		Factor		School Facilities Weight Adjustment
260	<u>times</u>	0.25	<u>equals</u>	65.0

NOTE

In addition, the law permits a school district to appeal to the State Board of Tax Appeals for permission to levy a property tax for not more than two years to defray costs associated with commencing operation of a new facility beyond the costs otherwise financed under the law. To qualify for this tax levying authority, the district must have begun operation of one or more new facilities in the preceding or current school year (or both), have adopted the maximum LOB, and have had an enrollment increase in each of the three preceding school years which averages 7 percent or more.

NOTE: All weight adjustments are based exclusively on current year features.

DECREASING ENROLLMENT ADD-ON

When a district's enrollment in the current school year has decreased from the preceding school year, the district may add to the enrollment in the current year one-half of the number of pupils by which the enrollment in the current school year has decreased -- up to a limit of 4 percent of the enrollment in the preceding school year.

EXAMPLE

<p>Sept. 20 Enrollment</p> <p>Preceding Year: 1,410</p> <p style="text-align: center;"><u>minus</u></p> <p>Current Year: 1,390</p> <hr style="width: 100%;"/> <p style="text-align: center;"><u>equals</u></p> <p>Decrease: 20</p>	<p>Then, the lesser of:</p> <p style="text-align: center;">4% of Preceding Year <u>times .5 equals</u> 28.2</p> <p style="text-align: center;"><u>or</u></p> <p style="text-align: center;">50% of Decrease – Current Year from Preceding Year: 10 (20 <u>times .5 equals</u> 10)</p> <p style="text-align: center;">The Lesser Number is 10</p>	<p style="text-align: center;"><u>so:</u></p> <p>Current Year 9-20 Enrollment With Decreasing Enrollment Add-on</p> <p style="text-align: right;">Actual 1,390</p> <p style="text-align: center;"><u>plus</u></p> <p style="text-align: right;">Add-on 10</p> <hr style="width: 100%;"/> <p style="text-align: center;"><u>equals</u></p> <p style="text-align: right;">"New" 9-20 Enrollment 1,400</p>
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LOCAL EFFORT

A school district's local effort is, in essence, a credit against its general state aid entitlement. Local effort represents locally generated resources that are available to the school district general fund to help finance the district's educational program.

The following items are defined as local effort:

<u>Example</u>		
\$	1,800,000	1. proceeds of the uniform school district general fund property tax (33 mills in 1993 and 35 mills in 1994 and 1995),
	400,000	2. motor vehicle tax receipts,
	None	3. rental/lease vehicle excise tax receipts,
	200	4. mineral production tax receipts,
	5,000	5. industrial revenue bond and port authority bond in lieu of tax payments,
	None	6. federal P.L. 874 impact aid (in accord with federal law and regulations),
	None	7. tuition paid on behalf of nonresident pupils for enrollment in "regular" education services,
	3,000	8. unexpended and unencumbered balances remaining in the general fund,
	1,800	9. unexpended and unencumbered balances remaining in the "program weighted" funds, <i>i.e.</i> , - transportation, bilingual, and vocational education funds except for the vocational fund of a district which operates a vocational school, and
	None	10. remaining proceeds of the former general fund and transportation tax levies prior to their repeal (repealed in 1992).
<hr/>		
TOTAL LOCAL EFFORT	\$ 2,210,000	

- NOTES: 1. If the sum of a district's local effort exceeds its SFA entitlement, the district receives no general state aid and the "excess" amount is remitted to the State Treasurer and is credited to the State School District Finance Fund. Revenue in this fund is used for school district general state aid.
2. Proceeds from the recreational vehicle tax, enacted in 1994 and effective January 1, 1995, which are not specified as "local effort," will appear as unexpended or unencumbered balances of the general fund (Reference: 1994 House Sub. for S.B. 191).

PART C

GENERAL STATE AID

A district's general state aid entitlement is determined by subtracting the district's local effort from its SFA.

EXAMPLE

	\$	6,696,720	SFA*
<u>minus</u>		<u>2,210,000</u>	Local Effort**
<u>equals</u>	\$	4,486,720	GENERAL STATE AID

* \$3,600 BSAPP times 1,860.2 (adjusted enrollment). However, if the appropriation for general state aid is insufficient to fund all school district entitlements, the \$3,600 BSAPP is reduced to the level at which entitlements may be funded.

** Sum of local effort items.

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SUPPLEMENTAL GENERAL FUND
(LOCAL OPTION BUDGET)

Form 239--Estimated Supplemental General State Aid

Local Option Budget--Formula Example for Computing Supplemental General State Aid

Supplemental General Fund Revenue Page--U.S.D. Budget Document

STATE BOARD OF EDUCATION
FISCAL YEAR 1996 RECOMMENDATIONS

- * Leave local option budget at 25 percent as provided by current law regardless of base state aid per pupil.

FY 1996 ADDITIONAL COST--Minimal

4/94

FORM 239

1994-95

ESTIMATED SUPPLEMENTAL GENERAL STATE AID FOR USD # 343

(This form should be included with the budget document and filed with the State Board of Education)

1. Adopted local option budget (Cannot exceed Line 10, Form 150). = 393,725
2. Estimated supplemental general state aid. Line 1 393,725 x
 factor 0.4856 (see table below) = 191,193

LOCAL OPTION BUDGET STATE AID RATE

USD	RATE	USD	RATE	USD	RATE	USD	RATE	USD	RATE	USD	RATE
101	.5600	249	.5864	303	.0000	355	.2214	408	.4448	460	.4040
102	.2149	250	.5334	304	.0000	356	.4585	409	.4646	461	.5915
103	.0000	251	.3824	305	.4249	357	.6676	410	.3670	462	.2945
104	.0000	252	.3815	306	.0000	358	.5109	411	.4559	463	.5623
200	.0000	253	.5378	307	.5238	359	.2103	412	.0452	464	.5839
202	.4983	254	.0000	308	.4438	360	.2420	413	.6101	465	.4530
203	.2641	255	.0000	309	.4222	361	.2444	415	.4105	466	.0914
204	.4321	256	.2761	310	.0000	362	.0000	416	.4109	467	.0568
205	.4966	257	.6541	311	.2264	363	.0000	417	.3467	468	.0000
206	.1511	258	.4259	312	.3231	364	.3324	418	.2935	469	.6260
207	.9888	259	.2204	313	.4109	365	.3268	419	.3297	470	.5480
208	.2102	260	.4456	314	.0000	366	.2564	420	.4964	471	.2336
209	.0000	261	.6160	315	.3155	367	.6021	421	.5283	473	.3800
210	.0000	262	.5656	316	.0000	368	.4729	422	.0000	474	.0000
211	.5475	263	.6881	317	.0000	369	.2814	423	.1347	475	.7223
212	.2244	264	.2147	318	.2743	371	.0000	424	.0000	476	.0000
213	.0000	265	.4936	320	.5720	372	.5971	425	.4764	477	.0714
214	.0000	266	.6129	321	.0000	373	.5520	426	.1924	479	.3835
215	.0000	267	.3870	322	.3812	374	.0000	427	.3527	480	.3032
216	.0000	268	.5333	323	.6263	375	.0451	428	.4367	481	.3010
217	.0000	269	.0000	324	.1969	376	.3102	429	.6849	482	.0017
218	.0000	270	.0000	325	.3405	377	.4279	430	.5399	483	.0000
219	.0000	271	.1062	326	.0000	378	.5989	431	.3900	484	.4158
220	.0000	272	.4318	327	.4396	379	.5028	432	.1021	486	.1567
221	.0000	273	.3431	328	.0000	380	.3919	433	.1986	487	.6167
222	.4447	274	.0000	329	.3234	381	.3755	434	.6352	488	.3366
223	.0000	275	.0000	330	.3938	382	.3047	435	.5475	489	.3190
224	.1068	278	.4600	331	.1033	383	.4077	436	.5880	490	.4497
225	.0000	279	.1104	332	.0000	384	.3694	437	.2739	491	.5523
226	.0000	280	.0000	333	.5069	385	.4868	438	.0000	492	.0000
227	.0000	281	.1492	334	.0000	386	.1788	439	.5935	493	.3644
228	.0000	282	.2263	335	.4966	387	.3971	440	.3700	494	.0000
229	.0000	283	.4527	336	.5749	388	.0353	441	.4745	495	.2946
230	.5175	284	.0676	337	.6626	389	.3586	442	.2876	496	.0000
231	.3296	285	.0009	338	.6298	390	.0000	443	.4040	497	.0914
232	.3028	286	.3365	339	.5410	392	.3740	444	.0000	498	.4965
233	.2826	287	.4740	340	.5993	393	.3462	445	.4616	499	.7866
234	.5676	288	.5924	341	.6414	394	.6811	446	.4702	500	.5405
235	.4742	289	.5118	342	.5252	395	.0000	447	.6177	501	.3258
237	.2620	290	.5664	343	.4856	396	.6564	448	.3125	502	.0000
238	.1830	291	.0000	344	.6317	397	.0339	449	.4694	503	.6485
239	.4098	292	.0000	345	.2682	398	.3818	450	.4384	504	.4927
240	.3592	293	.2746	346	.3493	399	.0000	451	.4739	505	.6170
241	.0000	294	.1785	347	.0943	400	.2983	452	.0000	506	.6176
242	.0000	295	.0000	348	.5280	401	.0000	453	.4650	507	.0000
243	.4531	297	.1053	349	.0000	402	.6164	454	.6425	508	.6544
244	.0000	298	.1411	350	.0000	403	.0000	455	.3206	509	.3625
245	.0378	299	.0028	351	.0000	404	.4340	456	.4276	511	.0000
246	.6631	300	.0000	352	.2297	405	.4218	457	.4360	512	.0000
247	.5471	301	.0000	353	.5683	406	.5724	458	.5494		.0000
248	.5738	302	.0000	354	.0987	407	.3295	459	.1855		.0000

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SUPPLEMENTAL GENERAL (LOCAL OPTION)	Code 08 Line	12 mo. 1992-93 Actual (1)	12 mo. 1993-94 Actual (2)	12 mo. 1994-95 Budget (3)
UNENCUMBERED CASH BALANCE JULY 1	01		997	194
REVENUE:				
1000 LOCAL SOURCES				
1110 Ad Valorem Tax Levied				
92 \$	10	22,417	10,347	
93 \$	15		85,688	43,556
1140 Delinquent Tax	25		862	1,293
2000 COUNTY SOURCES				
2400 Motor Vehicle Tax	70		6,888	31,212
2800 In Lieu of Taxes IRBs	85			0
3000 STATE SOURCES				
3140 Supplemental State Aid	95	20,580	95,180	191,193
RESOURCES AVAILABLE	170	42,997	199,962	267,448
TOTAL EXPENDITURES & TRANSFERS	175	42,000	199,768	393,725
TAX REQUIRED (175 minus 170)	195			126,277
PERCENT OF COLLECTION*	196			0.650
TOTAL 93 TAX REQUIRED (195+196)	197			194,272
Delinquency Percentage	200		194,272 x 1.96%	3,808
AMOUNT OF 94 TAX TO BE LEVIED				
Line 197 + Line 200	205			198,080
UNENCUMBERED CASH BAL JUNE 30	207	997	194	XXXXXXXXXXXX

Form 110,
Ln 10
Form 111,
Ln 11
Form 194 +
194A, Ln 3,
Col 3
To Cert.
9, Col 1
+ Notice
of Hearing
Pg, Code
99, Ln 8,
Col 5
To Cert.
Pg, Code 01,
Ln 8, Col 2
+ Notice of
Hearing Pg,
Code 99, Ln 8,
Col 6

*From Form 148, Table I, Line 3.

SUPPLEMENTAL GENERAL EXPENDITURES (LOCAL OPTION)	Code 08 Line	12 mo. 1992-93 Actual (1)	12 mo. 1993-94 Actual (2)	12 mo. 1994-95 Budget (3)
1000 Instruction				
100 Salaries				
110 Certified	210			
120 NonCertified	215			
200 Employee Benefits				
210 Insurance (Employee)	220			
220 Social Security	225			
290 Other	230			
300 Purchased Professional and Technical Serv	235			
500 Other Purchased Services				
560 Tuition				
561 Tuition/oth St LEA's	240			
562 Tuition/other LEA's outside the State	245			
563 Tuition/Priv Sources	250			
590 Other	255			
600 Supplies				
610 General Supp (Teaching)	260			
644 Textbooks	265			
680 Miscellaneous Supplies	270			
700 Property (Equip & Furn)	275	42,000	50,384	100,317
800 Other	280			

THE LOCAL OPTION BUDGET (LOB)

School districts are authorized to adopt an LOB in an amount of up to 25.0 percent of the SFA. School districts may levy local property taxes to fund LOB spending authority. The supplemental general state aid program, is designed to provide a substantial degree of equalization among school districts in terms of their ability to utilize their LOB spending authority.

Other pertinent facts about the LOB authority:

- A district's use of LOB authority is subject to a 5 percent protest petition election procedure.
- A district's LOB authority, if not rejected by the electors, is good for up to four years, as proposed by the local school board. During this period, one increase in LOB authority is authorized, subject to the same protest petition election procedure.
- The 25.0 percent LOB authority is reduced commensurately with percentage increases in the BSAPP.

FORMULA FOR COMPUTING SUPPLEMENTAL GENERAL STATE AID

District Assessed Valuation Per Pupil (Prior Year)	<u>subtracted</u> <u>from</u>	1.0	<u>times</u>	District's Local Option Budget	<u>equals</u>	Supplemental General State Aid
<u>75th Percentile</u> Assessed Valuation Per Pupil (Prior Year)						

Supplemental General State Aid is based on an equalization principle which is designed to treat each school district as if its assessed valuation per pupil (AVPP) were equal to that of the district at the 75th percentile of AVPP. Under this formula, districts having AVPP above the 75th percentile receive no supplemental general state aid. However, such districts do not have to impose as high a tax rate as do districts having AVPP below the 75th percentile in order to fund their LOBs.

EXAMPLES

DISTRICT 1		DISTRICT 2	
Prior Year District AVPP	\$30,000	Prior Year District AVPP	\$70,000
Prior Year 75th Percentile AVPP	\$43,049*	Prior Year 75th Percentile AVPP	\$43,049*
<u>\$0</u>		<u>\$0</u>	
<u>\$30,000</u>	<u>equals</u>	<u>\$70,000</u>	<u>equals</u>
\$43,049	0.6969	\$43,049	1.6261
	<u>then</u>		
	1.000		
<u>minus</u>	<u>0.6969</u>		
<u>equals</u>	0.3031 State Aid Ratio		
	<u>then</u>		
	\$500,000 LOB		
<u>times</u>	<u>0.3031</u> State Aid Ratio		
<u>equals</u>	\$151,550 Supplemental General State Aid		

* Preliminary number, to be used in 1994-95.

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CAPITAL IMPROVEMENT STATE AID
(BOND AND INTEREST)

Form 242--Bond and Interest Fund State Aid Payments

25 Percent Table--Median (Bonds issued after 7-1-92)

Formula Examples for Computing School District Bond Principal and Interest
Obligation State Aid Payments

STATE BOARD OF EDUCATION
FISCAL YEAR 1996 RECOMMENDATIONS

* No changes in current law.

FORM #242
BOND AND INTEREST FUND STATE AID PAYMENTS
(Bonds Issued After July 1, 1992)

Does not include asbestos bonds and capital outlay bonds. State aid applies only to general obligation bonds passed in a referendum.

1. Estimated 1994-95 bond and interest fund payments = 0
2. Determine the state aid ratio factor (see table below) = 0.3200
3. Estimated bond and interest fund state aid payment
(July 1, 1994 through June 30, 1995) (Line 1 x Line 2) = 0

USD	X	USD	X	USD	X	USD	X	USD	X	USD	X	USD	X
101	0.35	249	0.36	303	0.01	355	0.20	408	0.30	460	0.28		
102	0.20	250	0.34	304	0.00	356	0.31	409	0.31	461	0.36		
103	0.00	251	0.27	305	0.29	357	0.40	410	0.27	462	0.23		
104	0.00	252	0.27	306	0.02	358	0.33	411	0.30	463	0.35		
200	0.00	253	0.34	307	0.33	359	0.20	412	0.13	464	0.36		
202	0.32	254	0.09	308	0.30	360	0.21	413	0.37	465	0.30		
203	0.22	255	0.02	309	0.29	361	0.21	415	0.28	466	0.15		
204	0.29	256	0.23	310	0.02	362	0.00	416	0.28	467	0.13		
205	0.32	257	0.39	311	0.21	363	0.00	417	0.26	468	0.00		
206	0.17	258	0.29	312	0.25	364	0.25	418	0.23	469	0.38		
207	0.53	259	0.20	313	0.28	365	0.25	419	0.25	470	0.34		
208	0.20	260	0.30	314	0.00	366	0.22	420	0.32	471	0.21		
209	0.00	261	0.37	315	0.24	367	0.37	421	0.34	473	0.27		
210	0.00	262	0.35	316	0.01	368	0.31	422	0.00	474	0.00		
211	0.34	263	0.40	317	0.05	369	0.23	423	0.17	475	0.42		
212	0.20	264	0.20	318	0.23	371	0.00	424	0.00	476	0.00		
213	0.00	265	0.32	320	0.35	372	0.37	425	0.31	477	0.14		
214	0.00	266	0.37	321	0.00	373	0.35	426	0.19	479	0.27		
215	0.00	267	0.27	322	0.27	374	0.00	427	0.26	480	0.24		
216	0.00	268	0.34	323	0.38	375	0.13	428	0.30	481	0.24		
217	0.00	269	0.00	324	0.19	376	0.24	429	0.40	482	0.11		
218	0.00	270	0.05	325	0.25	377	0.29	430	0.34	483	0.00		
219	0.05	271	0.15	326	0.00	378	0.37	431	0.28	484	0.29		
220	0.00	272	0.29	327	0.30	379	0.32	432	0.15	486	0.18		
221	0.00	273	0.26	328	0.00	380	0.28	433	0.19	487	0.37		
222	0.30	274	0.08	329	0.25	381	0.27	434	0.38	488	0.25		
223	0.06	275	0.00	330	0.28	382	0.24	435	0.34	489	0.25		
224	0.15	278	0.31	331	0.15	383	0.28	436	0.36	490	0.30		
225	0.00	279	0.16	332	0.00	384	0.27	437	0.23	491	0.35		
226	0.00	280	0.00	333	0.33	385	0.32	438	0.05	492	0.11		
227	0.05	281	0.17	334	0.11	386	0.19	439	0.36	493	0.26		
228	0.00	282	0.21	335	0.32	387	0.28	440	0.27	494	0.00		
229	0.00	283	0.30	336	0.36	388	0.12	441	0.31	495	0.23		
230	0.33	284	0.14	337	0.39	389	0.26	442	0.23	496	0.00		
231	0.25	285	0.11	338	0.38	390	0.00	443	0.28	497	0.15		
232	0.24	286	0.25	339	0.34	392	0.27	444	0.00	498	0.32		
233	0.23	287	0.31	340	0.37	393	0.26	445	0.31	499	0.45		
234	0.35	288	0.36	341	0.38	394	0.40	446	0.31	500	0.34		
235	0.31	289	0.33	342	0.33	395	0.00	447	0.37	501	0.25		
237	0.22	290	0.35	343	0.32	396	0.39	448	0.24	502	0.00		
238	0.19	291	0.06	344	0.38	397	0.12	449	0.31	503	0.39		
239	0.28	292	0.00	345	0.22	398	0.27	450	0.30	504	0.32		
240	0.26	293	0.23	346	0.26	399	0.00	451	0.31	505	0.37		
241	0.09	294	0.18	347	0.15	400	0.24	452	0.00	506	0.37		
242	0.00	295	0.00	348	0.34	401	0.00	453	0.31	507	0.00		
243	0.30	297	0.15	349	0.06	402	0.37	454	0.38	508	0.39		
244	0.00	298	0.17	350	0.06	403	0.10	455	0.12	509	0.26		
245	0.12	299	0.11	351	0.00	404	0.29	456	0.29	511	0.06		
246	0.39	300	0.00	352	0.21	405	0.29	457	0.30	512	0.03		
247	0.34	301	0.10	353	0.35	406	0.35	458	0.34		0.00		
248	0.36	302	0.00	354	0.15	407	0.12	459	0.19		0.00		

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BONDS ISSUED AFTER JULY 1, 1992
1994-95

MEDIAN= 28857	LOW-MED	HI-MED	%
	356	1,357	53
1,	356	2,357	52
2,	356	3,357	51
3,	356	4,357	50
4,	356	5,357	49
5,	356	6,357	48
6,	356	7,357	47
7,	356	8,357	46
8,	356	9,357	45
9,	356	10,357	44
10,	356	11,357	43
11,	356	12,357	42
12,	356	13,357	41
13,	356	14,357	40
14,	356	15,357	39
15,	356	16,357	38
16,	356	17,357	37
17,	356	18,357	36
18,	356	19,357	35
19,	356	20,357	34
20,	356	21,357	33
21,	356	22,357	32
22,	356	23,357	31
23,	356	24,357	30
24,	356	25,357	29
25,	356	26,357	28
26,	356	27,357	27
27,	356	28,357	26
28,	356	29,357	25
29,	356	30,357	24
30,	356	31,357	23
31,	356	32,357	22
32,	356	33,357	21
33,	356	34,357	20
34,	356	35,357	19
35,	356	36,357	18
36,	356	37,357	17
37,	356	38,357	16
38,	356	39,357	15
39,	356	40,357	14
40,	356	41,357	13
41,	356	42,357	12
42,	356	43,357	11
43,	356	44,357	10
44,	356	45,357	9
45,	356	46,357	8
46,	356	47,357	7
47,	356	48,357	6
48,	356	49,357	5
49,	356	50,357	4
50,	356	51,357	3
51,	356	52,357	2
52,	356	53,357	1
53,	356	999,999	0

25% Table

NEW BONDS

5-24-94

**FORMULA FOR COMPUTING SCHOOL DISTRICT BOND
PRINCIPAL AND INTEREST OBLIGATION
STATE AID PAYMENTS**

Bond and interest state aid is based on an equalization principle which is designed to provide state aid inversely to school district assessed valuation per pupil. One matching rate is applicable for the duration of bond and interest payments associated with bonds issued prior to July 1, 1992. A different matching rate applies during the life of bonds issued on or after July 1, 1992.

For the school district having the median assessed valuation per pupil, the state aid ratio is 5 percent for contractual bond and interest obligations incurred prior to July 1, 1992 and 25 percent for contractual bond and interest obligations incurred on July 1, 1992 and thereafter.

This factor increases (decreases) by 1 percentage point for each \$1,000 of assessed valuation per pupil of a district below (above) the median.

FORMULA

DISTRICT BOND AND INTEREST PAYMENT OBLIGATION FOR SCHOOL YEAR	<u>times</u>	STATE AID PERCENTAGE FACTOR	<u>equals</u>	CAPITAL IMPROVE- MENTS STATE AID
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EXAMPLES

DISTRICT 1				DISTRICT 2			
B&I Payment Obligations				B&I Payment Obligation			
Before 7-1-92		\$100,000		Before 7-1-92		\$100,000	
After 7-1-92		\$ 80,000		After 7-1-92		\$ 80,000	
District AVPP		\$ 24,323		District AVPP		\$ 36,323	
<u>\$0</u>				<u>\$0</u>			
Before 7-1-92	\$100,000	After 7-1-92	\$ 80,000	Before 7-1-92	\$100,000	After 7-1-92	\$ 80,000
Percentage Factor (From Table)	x 10%	Percentage Factor (From Table)	x 30%	Percentage Factor (From Table)	x NA	Percentage Factor (From Table)	x 17%
B&I State Aid	\$ 10,000		\$ 24,000	B&I State Aid	NA		\$ 13,600
Total B&I Payment Due for Fiscal Year			\$180,000	Total B&I Payment Due for Fiscal Year			\$180,000
Amount from State Aid			\$ 34,000	Amount from State Aid			\$ 13,600

**PARTIAL TABLE TO ILLUSTRATE BOND AND INTEREST
STATE AID PROGRAM PRINCIPLE**

Bond and Interest State Aid Percentages

AVPP	Bond and Interest	Bond and Interest Obli-	State Aid Percentage Factor
	Obligations Prior to July 1, 1992	gations On and After July 1, 1992	
19,323	15	35	
20,323	14	34	
21,323	13	33	
22,323	12	32	
23,323	11	31	
24,323	10	30	
25,323	9	29	
26,323	8	28	
27,323	7	27	
28,323	6	26	
Median AVPP 28,823*	5%	25%	
29,323	4	24	
30,323	3	23	
31,323	2	22	
32,323	1	21	
33,323	0	20	
34,323		19	
35,323		18	
36,323		17	
37,323		16	
38,323		15	

* Preliminary number, to be used in 1994-95.

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SPECIAL EDUCATION

Special Education Excess Cost

Estimated Special Education Excess Costs--FY 1996

History of Special Education Expenditures, State Aid, Number of Teachers,
and Amount Per Teacher

STATE BOARD OF EDUCATION
FISCAL YEAR 1996 RECOMMENDATIONS

* 90 Percent of Excess Cost

FY 1996 ADDITIONAL COST--\$ 25,200,147

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ESTIMATED SPECIAL EDUCATION EXCESS COSTS

FISCAL YEAR 1996

100 percent	\$ 225,218,000
95 percent	213,957,000
90 percent	202,697,000
85 percent	191,436,000
80 percent	180,175,000

November 23, 1994

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ESTIMATED SPECIAL EDUCATION EXCESS COSTS--FY 1996

FY 1994 ACTUAL EXPENDITURES			305,736,171
FY 1995 ESTIMATE			
FY 1994 Actual			305,736,171
Percent Inc. (based on teachers' salaries)	3.00%		9,172,085
Added Teachers No./Amt.	264	42,418	11,198,352
EST. TOTAL FY 1995 EXPENDITURES			326,106,608

FY 1996 PROJECTION--SPECIAL EDUCATION EXPENDITURES AND EXCESS COSTS BASED ON CURRENT LAW

Est. FY 1995 Costs			326,106,608
Percent Inc. (based on teachers' salaries)	2.25%		7,337,399
Added Tchrs. No./Amt.	175	43,372	7,590,171
PROJECTED FY 1996 TOTAL EXPENDITURES			341,034,178

EXCESS COST COMPUTATION

Projected Expenditures			341,034,178
Less: Avg. Per Pupil Cost of Regular Ed. (\$4,571)*			
times 19,124 FTE Special Ed. Pupils			
(except SRS residents):			87,415,804
Less: Fed. Aid from State Dept. of Ed.			23,400,000
Less: SRS Contribution			5,000,000
FY 1996 EXCESS COST--100 PERCENT			225,218,374

**EXHIBIT:
ESTIMATED EXCESS COST FUNDING FY 1996**

Percent of Excess Cost	Amount	Inc . Over	Teach. Unit
	(THOUSANDS)	FY 1995 (a)	Amount (b)
	(THOUSANDS)	(THOUSANDS)	
@100 Percent	225,218	47,722	24,987
@95 Percent	213,957	36,461	23,555
@90 Percent	202,697	25,200	22,122
@85 Percent	191,436	13,939	20,690
@80 Percent	180,175	2,678	19,258
@75 Percent	168,914	(8,583)	17,826
@70 Percent	157,653	(19,844)	16,394
@65 Percent	146,392	(31,105)	14,962

* Computed as follows: est. unweighted FTE in projection year, plus est. current year low enrollment, new facilities, and declining enrollment weights times BSAPP and plus the projection year Local Option Budget . This sum is divided by the projection year unweighted FTE enrollment.

- (a) Actual FY 1995 appropriation: 177,496,853
- (b) This amount is computed by dividing the amount of the appropriation remaining after amounts for "catastrophic" state aid and transportation reimbursements have been paid by the number of FTE teaching units. Amt. in thousands:
 - Est. Catastrophic State Aid: 1,500
 - Est. Transportation Reimb.: 27,248
 - Est. Actual FTE Teaching Units: 7,863

Prepared by: Legislative Research Department, Division of Financial Services--State Department of Education and Division of Budget.

November 23, 1994

NOTE: KSDE 11/23 EST. OF CURRENT FY 1995 EXCESS COST FUNDING--83%.

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SPECIAL EDUCATION

	<u>Spec. Ed. Expenditures</u>	<u>State Aid</u>	<u>No. of Teachers</u>	<u>Amount Per Teacher</u>
1994-95*	\$ 326,106,608	\$ 177,495,853	7,688	\$ 19,500
1993-94	305,736,171	149,026,071	7,420	17,400
1992-93	292,500,000	149,026,071	7,069	18,250
1991-92	250,528,682	121,077,544	6,568	15,800
1990-91	239,320,588	125,562,021	6,463	16,945
1989-90	214,650,002	113,643,059	6,132	16,200
1988-89	192,198,945	101,259,238	5,753	15,440
1987-88	173,278,283	89,784,784	5,457	14,450
1986-87	166,925,502	76,442,840	5,759	11,298

*Estimated

NOTE: Aides were computed at 0.4 rather than 0.5 beginning with the 1987-88 school year.

ESTIMATED SPECIAL EDUCATION EXCESS COSTS

FISCAL YEAR 1996

100 percent	\$ 225,218,000
90 percent	202,697,000
85 percent	191,436,000

November 23, 1994

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COMMUNITY COLLEGE STATE AID

History of State Aid

1994-95 Community College Mill Levies

STATE BOARD OF EDUCATION
FISCAL YEAR 1996 RECOMMENDATIONS

- * Increase credit hour state aid by \$5.00 (\$28 to \$33)
FY 1996 ADDITIONAL COST--\$ 6,719,355
- * Eliminate out-district tuition and increase out-district state aid an equal amount (\$24)
FY 1996 ADDITIONAL COST--\$ 12,225,960
- * Increase general state aid
FY 1996 ADDITIONAL COST--\$ 4,079,284
- * Increase vocational credit hours to 2.0 for all institutions. (Currently, Pratt, Cowley County, Dodge City, and Hutchinson receive 2 for 1 funding for approved vocational credit hours and all other community colleges receive 1.5 to 1 funding.)
FY 1996 ADDITIONAL COST--\$ 4,685,901

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COMMUNITY COLLEGES

HISTORY OF STATE AID

	<u>Statutory</u>	<u>Actual FY 1990</u>	<u>Actual FY 1991</u>	<u>Actual FY 1992</u>	<u>Actual FY 1993</u>	<u>Approved FY 1994</u>	<u>Est. FY 1995</u>
<u>Credit Hour State Aid</u>							
Academic Hours	\$ 28.00	\$ 31.42	\$ 30.48	\$ 27.72	\$ 27.72	\$ 27.72	\$ 28.00
Vocational Hours	42.00	47.13	45.72	41.58	41.58	41.58	42.00
Vocational/AVTS Hours	56.00	62.84	60.96	55.44	55.44	55.44	56.00
<u>Out-District State Aid</u>							
All Hours	\$ 24.00	\$ 24.00	\$ 23.80	\$ 23.76	\$ 23.76	\$ 23.76	\$24.00

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1994-95 COMMUNITY COLLEGE MILL LEVIES

Community College	General Fund	Vocational Education	Adult Education	Employee Benefits	Capital Outlay	Bond & Interest	Special Assessment	Special Building	Total All Funds
Allen	16.987	2.875			1.920				21.782
Barton	23.070	2.265		6.278					31.613
Butler	9.227	2.948		8.958					21.133
Cloud	26.159	1.806		4.680					32.645
Coffeyville	36.545	1.996		1.799					40.340
Colby	12.474	2.015		7.274					21.763
Cowley	11.472	2.284		5.874	2.000		0.203		21.833
Dodge City	17.229	0.095	0.179	6.296	1.714				25.513
Fort Scott	20.288	2.000							22.288
Garden City	10.600	2.000		3.050	1.000				16.650
Highland	24.503					1.647			26.150
Hutchinson	13.163	1.660		3.959	1.000				19.782
Independence	30.405	1.267	0.256	5.572					37.500
Johnson	5.715	1.678		2.709			0.044		10.146
Kansas City	10.430	1.830		3.180	1.130				16.570
Labette	19.354	1.951		5.184					26.489
Neosho	26.507	4.080			2.000				32.587
Pratt	18.297	10.120		7.939					36.356
Seward	12.629	2.000		3.522	3.073				21.224

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AREA VOCATIONAL SCHOOLS/AREA VOCATIONAL-TECHNICAL SCHOOLS

STATE BOARD OF EDUCATION
FISCAL YEAR 1996 RECOMMENDATIONS

- * Increase aid to AVTS for capital outlay
FY 1996 ADDITIONAL COST--\$ 500,000
- * Increase postsecondary aid to AVTS
FY 1996 ADDITIONAL COST--\$ 1,172,762

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KANSAS STATE BOARD OF EDUCATION
ADDITIONAL PROGRAMS

ADULT BASIC EDUCATION--The request for increased funding for adult basic education programs is a result of growth in enrollment which is approximately 68 percent over the past five years.

FY 1996 ADDITIONAL COST--\$ 400,000

INSERVICE EDUCATION--Inservice education plans have been mandated by the Kansas Legislature. Funding of this program is a combination of state and local funding. The training and retraining of teachers is essential for student improvement.

FY 1996 ADDITIONAL COST--\$ 810,000

PARENTS AS TEACHERS--The parents as teachers program trains parents to be the child's first teacher. This voluntary program has been very successful and continues to expand. It is anticipated that this program will have positive affects on future costs in preparing children to learn.

FY 1996 ADDITIONAL COST--\$ 500,000

JUVENILE DETENTION CENTERS--Juvenile detention centers is a program required by state law with education funding being provided for the first time in Fiscal Year 1995. It is anticipated this program will continue to grow due to expansion of juvenile detention facilities.

FY 1996 ADDITIONAL COST--\$ 204,220

SCHOOL FOOD ASSISTANCE--Funding for this program is a matching requirement to meet federal eligibility. In Fiscal Year 1996, it is anticipated we will not require any additional matching funds. This matching requirement generates over \$90,000,000 of federal monies to the State of Kansas.

FY 1996 ADDITIONAL COST--None

TECHNOLOGY GRANTS TO AVTS AND COMMUNITY COLLEGES--The technology grants were approved by the 1991 Legislature for start-up support for innovative technology courses or programs in emerging technologies, manufacturing, and/or areas of skilled shortages. These grants can also be used for internships to allow vocational teachers to work in industrial settings. This program requires matching funds from business and industry.

FY 1996 ADDITIONAL COST--\$ 5,000

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EDUCABLE DEAF/BLIND--These funds are used to supplement the deaf/blind program primarily for highly specialized and expensive technological equipment and summer programs required as part of the IEP.

FY 1996 ADDITIONAL COST--None

AGRICULTURE IN THE CLASSROOM--One of the largest businesses in Kansas is agriculture and agriculture-related activities. The main purpose of this program is to integrate agricultural information into the existing school curriculum with a program that follows a logical scope and sequence from kindergarten through high school.

FY 1996 ADDITIONAL COST--None

KANSAS HERITAGE CENTER--The Kansas Heritage Center is an educational institution concerned with the teaching of Kansas History and provides resources and services for the study and appreciation of Kansas. Numerous products including books, films, study materials, etc., are provided to assist Kansas classroom teachers.

FY 1996 ADDITIONAL COST--None

EDUCATIONAL EXCELLENCE GRANT PROGRAM--This program was established by the Kansas Legislature to provide local education agencies and students the opportunity to develop and participate in innovative and exemplary programs. This is a very competitive program. During Fiscal Year 1995, approximately 23 percent of the grants were funded.

FY 1996 ADDITIONAL COST--\$ 515,000

KANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM--The 1994 Kansas Legislature transferred the KPERs budget function to the State Board of Education. Due to the rate increase, we anticipate an additional \$3,988,605 will be required in Fiscal Year 1996 to fund the formula.

FY 1996 ADDITIONAL COST--\$ 3,988,605

KANSAS ASSESSMENT PROGRAM--Statewide assessments, required by state law, will be administered in Fiscal Year 1995 at three grade levels in math, reading, science, and social studies. The State Board of Education recommendation for assessments in Fiscal Year 1996 include math, reading, and writing. These assessments are one measurement for determining whether students are acquiring higher order thinking skills to meet future needs.

FY 1996 ADDITIONAL COST--\$ 63,000

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