

## MINUTES OF THE SENATE COMMITTEE ON EDUCATION

The meeting was called to order by Chairperson Dave Kerr at 1:30 p.m. on February 6, 1995 in Room 123-S of the Capitol.

All members were present.

Committee staff present: Ben Barrett, Legislative Research Department  
Avis Swartzman, Revisor of Statutes  
Brenda Dunlap, Committee Secretary

Conferees appearing before the committee: Larry Matthews, Board President, Salina, USD 305  
Gary Norris, Superintendent, Salina, USD 305  
Bernard White, Superintendent, Ell-Saline, USD 307  
Robert Goodwin, Superintendent SE Saline, USD 306  
Sharolyn Wagner, Parent, Twin Valley, USD 240  
Greg Van Coevern, Parent, Twin Valley, USD 240  
Rod Broberg, Parent, Twin Valley, USD 240  
Larry Geil, Superintendent, Twin Valley, USD 240  
Dr. David Benson, Superintendent, Blue Valley, USD 229

Others attending: See attached list

**SB 135 - School district finance, low enrollment weighting affected by district residence**

Larry Matthews, Board President, USD 305, Salina, Kansas, testified in favor of **SB 135**. The Salina school district is the lowest cost per pupil district in the State of Kansas. As the base funding level has remained constant at \$3,600 and the school district lost two LOB protest votes, they were forced to cut \$739,000 from their budget, close three schools, reconfigure 4 schools and reduce staff by 34.6 employees for the 94-95 school year. Citizens were very upset by these changes, and as a result, about 60 students chose to attend the Twin Valley School district. This resulted in an additional loss of \$216,000 from their budget. In addition to the impact of \$216,000 on the Salina school district, Mr. Matthews makes the point that this policy will cost the State of Kansas an additional 4.5 to 5.5 million dollars per year. He doesn't feel it could possibly cost \$2,000 more per pupil to educate them in a district three miles away from the Salina school district. But small schools certainly have an incentive to lure students away from larger districts because it enhances their budget. Senator Emert asked him if he would be in favor of a bill that would only allow students to change school districts if the school district of residence released them. Mr. Matthews said he would not object to that, but he wasn't sure if that was fair in that students should be able to choose where they attend school.

Testimony was given by Gary Norris, Superintendent, Salina Public Schools, USD 305, in favor of the bill. He feels it is unfair for smaller district schools to receive a \$2,000 bonus for low enrollment weighting for the same students for which they are receiving only the base rate. He also feels the Salina school district must compete for its own resident students at a \$2,000 plus pupil disadvantage. One of the criticisms he has heard in discussion about the bill is that the Salina drop-out rate is responsible for this transfer of students. He does not understand this as Salina's dropout rate for the last five years has been only 4.7% compared to the state average rate of 3.58%. He feels there should be a level playing field so that there is not a financial incentive for districts to accept students from other districts. (See Attachment 1)

Bernard White, Superintendent of Schools, USD 306, Ell-Saline, testified against the bill. He began by reviewing recent legislation that states it is the responsibility of the state and not the local school district to provide education for students. In addition, low enrollment weighting was a part of this legislation to allow students to attend the public school of their choice without paying additional fees. He said the proponents of the bill will say that it is wrong for the State of Kansas to allow more budget authority for a student if he chooses to attend an out-of-district school. However, the Kansas Supreme Court has reviewed the legislation, and upheld the need for the low enrollment weighting factor. Further, there was no statement made that the funding of out-of-district students at the amount that the receiving district spends to educate the student was not appropriate. Thus, it would seem the current plan was upheld. In response to the uneven field argument, he stated that the proponents of the bill actually want to establish a condition that makes it an economic hardship for a district to accept students from another district with a lower cost per student. Their district receives students from four other districts. If this bill is passed, it will become very difficult to plan their budget from year to year as they will have students in their district receiving five different base budget per pupil amounts. (See Attachment 2)

Robert Goodwin, Superintendent, USD #306, Southeast of Saline, testified against the bill. If the bill is passed, his district will lose \$45,000 from their budget per year, which would be devastating. He pointed out that for 20 years, the Salina school district has been ranked at the 80th percentile in salary in the state of Kansas, while the Southeast of Saline district has been ranked at the 65th percentile, the Ell-Saline district has

## CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON EDUCATION Room 123-S-Statehouse, at 1:30 p.m. on February 6, 1995.

been ranked at the 30th percentile, and the Twin Valley district has been ranked at the 25th percentile. He tried to hire a teacher away from the Salina school district and simply could not compete with them. He believes this bill is the result of a fight between the Twin Valley School District, #240 and the Salina School District #305. Twin Valley has been trying to get the state to allow a transfer of territory to their district from Salina's district. This would have a negative financial impact on Salina. Negative feelings have been generated in this environment and he thinks this bill has been developed as a response to the situation. This bill was developed by the Salina School District and was introduced by the state senator representing Salina. He asked that his district and other small districts close to large metropolitan areas not be punished for what has happened in Saline County. Senator Oleen stated that it is important for the senator from Saline county, or the senator from any other county, to bring these kinds of problems to the attention of the Education Committee so they can be addressed. (See Attachment 3)

Sharolyn Wagner, a parent residing in the Twin Valley, USD 240 school district, testified in opposition to the bill. Her major concern is the drop-out rate of the Salina school district, which according to her source, *The Salina Journal*, is 20%. She feels the children attending Twin Valley schools will receive more individual attention and concern than those attending Salina schools. As Bennington is a bedroom community to Salina, she feels the makeup of the two districts is very similar, with even the same poverty level. Senator Downey questioned whether the two districts are indeed that similar to each other in makeup or "raw material" consistency of students. In comparing the drop out rates of larger versus smaller schools, Mrs. Wagner feels small schools do a better job keeping students in school. Senator Oleen disagreed with this statement, and wondered if perhaps larger schools need to have a higher per pupil base amount. Mrs. Wagner further stated, there are other related costs to society of people who do not graduate. These include higher crime rates, increased public assistance, reduced earning potential and subsequent taxes paid, and the average cost to house a prison inmate is \$20,678 per year. In closing, she stated there are lots of reasons offered why we have so many problems facing urban America. Perhaps the loss of small schools and the sense of community they develop is one of them. Thus, she asked the committee to consider not only short term costs, but also the long term costs to society. (See Attachment 4)

Rod Broberg, a parent from Twin Valley, USD 240, testified in opposition to the bill (See Attachment 5)

Greg Van Coevern, a parent from Twin Valley, USD 240, testified in opposition to the bill. He stated the additional funds generated to small school districts from low enrollment weighting are very important to small schools because small schools have much higher operating costs per pupil. (See Attachment 6)

Larry Geil, Superintendent, Twin Valley, USD 240, testified in opposition to the bill. He believes this is a punitive, discriminatory bill that would limit a parent's right to choose the school of their choice. (See Attachment 7)

### **SB 97 - School district finance, ad valorem taxes for operation of new school facilities.**

Dr. David Benson, Superintendent of Schools in Blue Valley, USD 229, testified in support of the bill. The Blue Valley Schools face unique problems with a rapidly growing community and potential shrinking per pupil funding. Without a modification in the current school finance law, they will face the 1995-96 school year with approximately 850 new students and no meaningful increase in budget authority. This problem was caused by the two year and out phenomena associated with new facilities money. Their district embarked on a carefully planned building program based on the provisions available under the rules of SDEA, with no knowledge that the funding would be changed in mid-stream. The other contributing factor to their budget problem is that schools have not been opened to full capacity. They have planned to "grow into" the new schools over a 4-6 year period. This is being done to eliminate numerous boundary changes, (which would result in numerous moves for students) due to the growing patterns. As a result, they do not have the money to staff the new schools, and will have to increase user fees for textbooks, activities and lunches. Although they have not reached full capacity in the senior high and elementary schools opened in 1993-94, next year the new facilities money will end. The budget per pupil will be at a five-year low of \$4,690.00, with the enrollment being at a five-year high and growing; and with more buildings being built and planned. This "dollars per pupil" rate will result in a flat budget and causes them to look at the above mentioned reductions. The answer to this problem is to phase out the new facilities money over a period of five years as proposed in **SB 97**. (See Attachment 8)

Senator Downey asked if this bill has good rationale for solving this problem as it could create a major disequalization problem that would have to be addressed in the near future. Dr. Benson replied that this district has a totally unique problem to solve, one that no other district has had to address. Further, the bill proposes the phasing in and phasing out of additional funds. There is no provision for the increased funds to continue indefinitely.

The meeting was adjourned at 2:30 p.m.  
The next meeting is scheduled for February 7, 1995.



**Senate Education Committee**  
Testimony of Gary Norris, Superintendent  
Salina Public Schools  
Re: Senate Bill #. 135  
Monday, February 6, 1995  
1:15 PM

Mr. Chairman, Senators: We come before you today to address a matter that we believe can be best described as a fairness issue concerning the resident students of U.S.D. #305. Before I present some background on our predicament let me pose two philosophical questions that motivated and prompted our request to Senator Vidricksen to sponsor/introduce Senate Bill #135:

1. Why should the freedom of choice for students to attend another district, which in and of itself is a vitally important right, cost the state taxpayers an additional 4.5 to 5.5 million dollars a year?
2. Why should Salina Public Schools have to compete for it's own resident students at a \$2000+/pupil disadvantage?

As we discuss these issues with you today, let me say unequivocally that I support the USA (United School Administrators) position on school finance introduced last week in the House. It is truly significant that school administrators from district across the state came together in agreement on adjustments that should take place this year.

**In my opinion Senate Bill #135 in no way undermines the USA Position.**

Senate Bill #135 provides that any student who attends a school district other than the district of residence will generate the lower amount of funding between the district of residence and the district they attend.

As you know senators, funding for schools has remained at the same level of a \$3600 base for the past three years. Considering that fact, and the subsequent loss of two LOB protest votes, Salina was forced to make many painful decisions: (1) to cut \$738,914. (2) close three schools, (3) reconfigure 4 schools, and (4) reduce our staff by 34.6 employees for the 94-95 school year. Our district remains the lowest cost per pupil district in

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Attachment 1

the entire state. Please notice our handout showing all districts in Kansas from low to high.

As a result of these very difficult decisions, specifically the one to close Glenifer Hill School, approximately 60 students chose to attend the Twin Valley school district. This accounted for an approximate loss of \$216,000 to our general fund which when combined with other recent events make our financial situation very difficult. Our total student loss (headcount) for this year was 115, with other students choosing to attend private/parochial schools. Even with the declining enrollment provision, we are still in a precarious position.

Mr. Chairman, Senate Bill 135 affects approximately 7,000 out of approximately 457,000 total Kansas Students. However, in a majority of the transfer situations, there would be little or no change. For the sake of clarity let me utilize the designation large and small districts rather than in each case referring to a district receiving or not receiving low enrollment weighting.

Our request has little or no effect on three of the following transfer situations:

1. Small district resident student transferring to a small district.  
(Would vary depending upon the actual low-enrollment weighting.)
2. Large district resident student transferring to a large district.
3. Small district resident student transferring to a large district.

In each of these cases their funding would be virtually the same as it has been.

However Senate Bill #135 affects the scenario where you find:

4. Large district resident students attending small districts.

In that situation the student would generate only the amount they would have generated if they would have remained in the district of residence. We propose that amount-- approximately \$5,000,000 be designated the base student allocation enhancing education for all Kansas Students.

OTHER ISSUES--I have read and heard numerous criticisms of Senate Bill #135. Because of the limited time available for our purposes today, I will only briefly mention a few.

1. Hurt's students freedom of choice--That would be the case only if a smaller receiving district wouldn't accept the students at the lower amount.
2. Discriminatory--How can it be discriminatory to pay another district the exact same amount (\$3600) for a transfer student, that their district of residence receives, unless it was discriminatory to begin with.
3. Hurt Children--Salina's students have had their budgets, lowered in addition to damage that would be caused by the lost of assessed valuation caused by a proposed transfer of property. Why are we just now talking about hurting students.
4. Dropout Rate--Some how Salina's Dropout Rate has entered into the discussion concerning transfer students. Why wasn't it an issue before we closed three schools. I always thought students leaving school were caused by a whole plethora of other societal reasons. I thought the research demonstrated that generally dropouts do not come from homes with supportive, involved parents. I am really confused why someone would attack our Dropout Rate. In the last five years our average rate is 4.7 %. The five year state average rate is 3.58 %.

## FINAL CONSIDERATIONS

1. Level Playing Field--So that there is not a financial incentive for districts to accept students from other districts, we ask that you give strong consideration to our bill today.

We are told repeatedly by parents with students attending smaller districts: "We are attracted to their smaller class sizes." "The children have access to more computers." "They offer languages in the elementary school." Why wouldn't this be true. Not only did they get the base student aid per pupil (\$3600) as we do, but they also receive additional dollars for the low enrollment weighting for transfer students.

Mr. Chairman, Senators, Thank you for this privilege of bringing our concerns before you today.

Exhibits:

1. 93-94 Kansas Budget Per Pupil--All Districts
2. Memo from Dale Dennis
3. USA Position of School Finance
4. Chart showing transfer student in and out of U.S.D. #305

R. Frank Conder BL - #50 Low Cost to High

ACTUAL COST PER PUPIL - ALL USD'S IN KANSAS						
1993-1994 SCHOOL YEAR - SORTED BY COST PER PUPIL						
USD#	USD NAME	ACTUAL FTE	93-94 CALCULATED OPERATING BUDGET	COST PER PUPIL	LOB % AUTHORIZE D	LOB % UTILIZED
305	SALINA	7,334.70	27,178,920	3,706	0.0	0.0
453	LEAVENWORTH	4,324.30	16,063,200	3,715	0.0	0.0
260	DERBY	6,198.10	23,113,800	3,729	0.0	0.0
290	OTTAWA	2,329.10	8,696,700	3,734	0.0	0.0
402	AUGUSTA	2,193.10	8,191,440	3,735	0.0	0.0
250	PITTSBURG	2,959.00	11,063,808	3,739	0.0	0.0
263	MULVANE	1,918.20	7,173,000	3,739	0.0	0.0
480	LIBERAL	3,803.80	14,246,261	3,745	0.0	0.0
475	JUNCTION CITY	6,759.50	25,441,560	3,764	0.0	0.0
446	INDEPENDENCE	2,326.90	8,772,480	3,770	0.0	0.0
428	GREAT BEND	3,393.50	12,872,880	3,793	0.0	0.0
443	DODGE CITY	4,470.30	16,972,920	3,797	0.0	0.0
490	EL DORADO	2,305.90	8,840,340	3,834	2.0	2.0
437	AUBURN WASHBURN	4,690.70	17,989,560	3,835	0.0	0.0
253	EMPORIA	4,622.00	17,736,840	3,837	0.0	0.0
234	FORT SCOTT	2,105.00	8,079,480	3,838	0.0	0.0
445	COFFEYVILLE	2,540.60	9,762,840	3,843	0.0	0.0
257	IOLA	1,833.50	7,143,120	3,896	0.0	0.0
383	MANHATTAN	6,456.60	25,210,886	3,905	3.0	3.0
373	NEWTON	3,467.30	13,615,182	3,927	5.0	5.0
385	ANDOVER	1,989.50	7,830,936	3,936	4.0	3.9
413	CHANUTE PUBLIC	1,995.30	7,859,258	3,939	25.0	5.2
353	WELLINGTON	2,028.40	7,992,810	3,940	5.0	5.0
457	GARDEN CITY	6,745.10	26,593,062	3,943	4.0	1.9
469	LANSING	1,916.10	7,601,152	3,967	7.0	7.0
345	SEAMAN	3,379.50	13,413,654	3,969	6.0	5.1
308	HUTCHINSON PUBLIC	5,156.00	20,549,313	3,986	7.5	7.5
262	VALLEY CENTER P	2,146.90	8,583,336	3,998	10.0	5.1
418	MCPHERSON	2,652.30	10,655,271	4,017	7.5	7.5
207	FT LEAVENWORTH	1,845.50	7,468,956	4,047	10.0	10.0
465	WINFIELD	2,566.20	10,403,117	4,054	21.6	7.1
470	ARKANSAS CITY	3,043.10	12,393,464	4,073	10.0	6.2
261	HAYSVILLE	3,582.90	14,594,440	4,073	25.0	7.2
503	PARSONS	1,936.00	7,967,916	4,116	10.0	10.0
409	ATCHISON PUBLIC	1,682.90	6,960,139	4,136	1.5	1.5
450	SHAWNEE HEIGHTS	3,380.50	14,040,892	4,153	8.0	6.6
379	CLAY CENTER	1,699.80	7,106,400	4,181	0.0	0.0
265	GODDARD	2,349.00	9,821,038	4,181	9.0	8.9
501	TOPEKA PUBLIC	13,955.10	58,848,097	4,217	14.0	13.5
202	TURNER-KANSAS CITY	3,786.40	16,062,127	4,242	25.0	12.6
497	LAWRENCE	8,919.10	38,018,360	4,263	25.0	14.1
313	BUHLER	2,199.00	9,388,508	4,269	10.0	10.0
435	ABILENE	1,479.50	6,370,920	4,306	0.0	0.0
394	ROSE HILL PUBLIC	1,589.20	6,846,159	4,308	3.0	3.0
458	BASEHOR-LINWOOD	1,506.40	6,555,960	4,352	0.0	0.0



ACTUAL COST PER PUPIL - ALL USD'S IN KANSAS  
 1993-1994 SCHOOL YEAR - SORTED BY COST PER PUPIL

USD#	USD NAME	ACTUAL FTE	93-94 CALCULATED OPERATING BUDGET	COST PER PUPIL	LOB % AUTHORIZE D	LOB % UTILIZED
231	GARDNER-EDGERTON	1,803.60	7,850,329	4,353	25.0	9.9
368	PAOLA	1,776.60	7,762,003	4,369	8.0	8.0
506	LABETTE COUNTY	1,663.60	7,304,760	4,391	0.0	0.0
232	DESOTO	1,829.50	8,035,112	4,392	10.0	10.0
489	HAYS	3,454.60	15,379,929	4,452	25.0	18.4
500	KANSAS CITY	21,001.50	93,627,738	4,458	17.5	17.5
259	WICHITA	44,792.00	200,934,960	4,486	16.7	16.7
266	MAIZE	3,542.40	15,931,040	4,497	16.0	15.4
320	WAMEGO	1,386.90	6,239,880	4,499	0.0	0.0
382	PRATT	1,350.00	6,098,400	4,517	0.0	0.0
464	TONGANOXIE	1,517.50	6,857,044	4,519	4.0	4.0
375	CIRCLE	1,384.50	6,257,401	4,520	3.0	1.9
512	SHAWNEE MISSION	30,537.10	138,941,899	4,550	25.0	22.4
233	OLATHE	15,831.70	72,114,800	4,555	25.0	24.1
333	CONCORDIA	1,330.50	6,142,680	4,617	0.0	0.0
315	COLBY PUBLIC SCHOOLS	1,300.50	6,008,959	4,620	0.0	0.0
267	RENWICK	1,469.00	6,831,785	4,651	6.0	6.0
493	COLUMBUS	1,370.50	6,378,120	4,654	0.0	0.0
434	SANTA FE TRAIL	1,291.60	6,026,400	4,666	0.0	0.0
204	BONNER SPRINGS	2,013.00	9,432,718	4,686	25.0	22.9
309	NICKERSON	1,421.80	6,691,284	4,706	15.0	5.0
331	KINGMAN	1,227.40	5,847,840	4,764	0.0	0.0
367	OSWATOMIE	1,137.50	5,461,200	4,801	0.0	0.0
473	CHAPMAN	1,312.50	6,309,720	4,807	0.0	0.0
415	HIAWATHA	1,228.20	5,961,240	4,854	0.0	0.0
214	ULYSSES	1,699.10	8,253,920	4,858	25.0	18.2
230	SPRING HILL	1,245.80	6,052,576	4,858	25.0	3.0
101	ERIE-ST PAUL	1,168.50	5,703,480	4,881	0.0	0.0
495	FT LARNED	1,175.70	5,768,480	4,906	25.0	2.7
348	BALDWIN CITY	1,126.70	5,537,276	4,915	1.5	1.5
248	GIRARD	1,125.50	5,569,200	4,948	0.0	0.0
365	GARNETT	1,082.50	5,378,760	4,969	0.0	0.0
264	CLEARWATER	1,038.00	5,166,720	4,978	0.0	0.0
203	PIPER-KANSAS CITY	1,212.60	6,036,680	4,978	25.0	5.4
417	MORRIS COUNTY	1,078.00	5,371,920	4,983	0.0	0.0
229	BLUE VALLEY	11,569.60	57,818,770	4,997	25.0	25.0
336	HOLTON	1,001.00	5,025,240	5,020	0.0	0.0
508	BAXTER SPRINGS	908.30	4,560,120	5,020	0.0	0.0
312	HAVEN PUBLIC SCHOOL	1,165.50	5,888,040	5,052	10.0	2.6
405	LYONS	880.80	4,459,645	5,063	0.0	0.0
416	LOUISBURG	1,140.00	5,780,720	5,071	10.0	3.6
491	EUDORA	883.50	4,484,202	5,075	0.0	0.0
466	SCOTT COUNTY	1,072.60	5,457,434	5,088	3.0	3.0
441	SABETHA	1,064.00	5,419,000	5,093	10.0	1.9
364	MARYSVILLE	1,025.50	5,224,320	5,094	0.0	0.0

ACTUAL COST PER PUPIL - ALL USD'S IN KANSAS  
 1993-1994 SCHOOL YEAR - SORTED BY COST PER PUPIL

USD#	USD NAME	ACTUAL FTE	93-94		COST PER PUPIL	LOB % AUTHORIZER	LOB % UTILIZED
			OPERATING BUDGET				
343	PERRY PUBLIC SCHOOL	995.60	5,072,400		5,095	0.0	0.0
361	ANTHONY-HARPER	1,052.80	5,424,480		5,152	0.0	0.0
400	LINDSBORG	933.00	4,818,960		5,165	0.0	0.0
431	HOISINGTON	821.90	4,270,212		5,196	0.0	0.0
499	GALENA	752.60	3,947,760		5,245	0.0	0.0
357	BELLE PLAINE	773.50	4,071,960		5,264	0.0	0.0
461	NEODESHA	759.80	4,000,320		5,265	0.0	0.0
436	CANEY VALLEY	804.00	4,233,240		5,265	0.0	0.0
244	BURLINGTON	975.00	5,134,871		5,267	5.5	5.1
389	EUREKA	849.30	4,486,320		5,282	0.0	0.0
340	JEFFERSON WEST	846.10	4,475,880		5,290	0.0	0.0
254	BARBER COUNTY N	758.80	4,059,720		5,350	0.0	0.0
407	RUSSELL COUNTY	1,204.60	6,462,840		5,365	25.0	13.1
211	NORTON COMMUNITY	752.00	4,044,386		5,378	5.0	1.9
247	CHEROKEE	835.50	4,507,808		5,395	0.9	0.9
372	SILVER LAKE	660.10	3,562,200		5,396	0.0	0.0
205	LEON	823.60	4,446,720		5,399	0.0	0.0
447	CHERRYVALE	644.00	3,478,320		5,401	0.0	0.0
460	HESSTON	790.50	4,274,120		5,407	10.0	4.9
268	CHENEY	666.20	3,603,600		5,409	0.0	0.0
420	OSAGE CITY	626.50	3,409,560		5,442	0.0	0.0
396	DOUGLASS PUBLIC	782.10	4,258,120		5,444	4.0	2.5
404	RIVERTON	743.50	4,052,160		5,450	0.0	0.0
337	ROYAL VALLEY	822.50	4,483,440		5,451	0.0	0.0
327	ELLSWORTH	869.00	4,746,840		5,462	25.0	3.3
249	FRONTENAC PUBLIC	522.00	2,855,520		5,470	0.0	0.0
273	BELOIT	817.00	4,491,392		5,497	25.0	4.7
352	GOODLAND	1,195.10	6,572,329		5,499	25.0	13.9
239	NORTH OTTAWA CO	728.00	4,006,440		5,503	0.0	0.0
258	HUMBOLDT	619.00	3,413,880		5,515	0.0	0.0
208	WAKEENEY	677.10	3,735,000		5,516	25.0	0.0
427	BELLEVILLE	671.00	3,712,680		5,533	0.0	0.0
430	SOUTH BROWN COUNTY	697.70	3,864,600		5,539	0.0	0.0
251	NORTH LYON CO	733.00	4,065,840		5,547	0.0	0.0
325	PHILLIPSBURG	729.20	4,053,720		5,559	5.0	4.2
408	MARION	645.00	3,595,320		5,574	0.0	0.0
243	LEBO-WAVERLY	578.50	3,224,880		5,575	0.0	0.0
487	HERINGTON	561.00	3,137,040		5,592	0.0	0.0
287	WEST FRANKLIN	821.50	4,596,560		5,595	3.6	3.0
289	WELLSVILLE	763.50	4,275,342		5,600	5.0	4.9
246	NORTHEAST	605.70	3,393,000		5,602	0.0	0.0
210	HUGOTON PUBLIC	976.50	5,476,284		5,608	10.0	10.0
272	WACONDA	581.00	3,260,520		5,612	4.0	0.0
504	OSWEGO	467.50	2,626,560		5,618	0.0	0.0
323	POTTAWATOMIE WE	698.80	3,926,160		5,618	0.0	0.0

# ACTUAL COST PER PUPIL - ALL USD'S IN KANSAS

## 1993-1994 SCHOOL YEAR - SORTED BY COST PER PUPIL

USD#	USD NAME	ACTUAL FTE	93-94		COST PER PUPIL	LOB %	LOB %
			CALCULATED OPERATING BUDGET			AUTHORIZE D	UTILIZED
237	SMITH CENTER	631.50	3,551,760		5,624	0.0	0.0
484	FREDONIA	927.00	5,214,280		5,625	10.0	8.3
366	YATES CENTER	631.50	3,552,840		5,626	0.0	0.0
102	CIMARRON-ENSIGN	618.80	3,487,042		5,635	5.0	2.0
380	VERMILLION	645.50	3,638,160		5,636	0.0	0.0
378	RILEY COUNTY	645.50	3,640,680		5,640	0.0	0.0
342	MCCLOUTH	564.50	3,186,360		5,645	0.0	0.0
288	CENTRAL HEIGHTS	621.30	3,516,120		5,659	0.0	0.0
377	ATCHISON CO COMM	819.50	4,643,000		5,666	5.0	2.8
442	NAMAHA VALLEY	497.20	2,821,320		5,674	0.0	0.0
449	EASTON	609.90	3,466,800		5,684	0.0	0.0
374	SUBLETTE	517.00	2,944,440		5,695	0.0	0.0
358	OXFORD	465.50	2,655,000		5,704	0.0	0.0
329	MILL CREEK VALLEY	585.30	3,341,160		5,708	0.0	0.0
252	SOUTHERN LYON CO	599.00	3,430,440		5,727	0.0	0.0
419	CANTON-GALVA	476.50	2,738,160		5,746	0.0	0.0
294	OBERLIN	613.00	3,522,600		5,746	0.0	0.0
341	OSKALOOSA PUBLIC	706.50	4,060,974		5,748	12.0	4.6
330	WABUNSEE EAST	616.00	3,541,584		5,749	0.0	0.0
346	JAYHAWK	563.50	3,241,440		5,752	0.0	0.0
376	STERLING	549.00	3,158,241		5,753	10.0	2.0
281	HILL CITY	536.30	3,089,160		5,760	0.0	0.0
355	ELLINWOOD PUBLIC	576.80	3,323,120		5,761	25.0	3.2
421	LYNDON	463.50	2,671,200		5,763	0.0	0.0
429	TROY PUBLIC SCHOOLS	438.50	2,530,440		5,771	0.0	0.0
306	SOUTHEAST OF SA	609.50	3,522,744		5,780	0.0	0.0
344	PLEASANTON	420.50	2,432,520		5,785	0.0	0.0
321	KAW VALLEY	1,029.00	5,952,612		5,785	25.0	14.3
271	STOCKTON	439.00	2,542,320		5,791	0.0	0.0
338	VALLEY FALLS	483.00	2,810,880		5,820	0.0	0.0
412	HOXIE COMMUNITY	492.50	2,867,040		5,821	0.0	0.0
483	KISMET-PLAINS	613.50	3,574,440		5,826	0.0	0.0
284	CHASE COUNTY	556.70	3,246,480		5,832	0.0	0.0
454	BURLINGAME	368.50	2,150,640		5,836	0.0	0.0
482	DIGHTON	405.30	2,365,560		5,837	10.0	0.0
318	ATWOOD	478.00	2,790,360		5,838	0.0	0.0
388	ELLIS	375.20	2,193,450		5,846	8.0	0.8
448	INMAN	463.50	2,709,720		5,846	7.5	1.3
360	CALDWELL	337.50	1,974,960		5,852	0.0	0.0
222	WASHINGTON SCHOOL	396.20	2,319,120		5,853	0.0	0.0
381	SPEARVILLE	305.90	1,791,396		5,856	25.0	0.0
240	TWIN VALLEY	468.50	2,746,080		5,861	0.0	0.0
440	HALSTEAD	739.00	4,339,118		5,872	25.0	7.6
494	SYRACUSE	398.50	2,344,680		5,884	0.0	0.0
498	VALLEY HEIGHTS	464.80	2,736,000		5,886	0.0	0.0

ACTUAL COST PER PUPIL - ALL USD'S IN KANSAS  
 1993-1994 SCHOOL YEAR - SORTED BY COST PER PUPIL

USD#	USD NAME	ACTUAL FTE	93-94		COST PER PUPIL	LOB % AUTHORIZE D	LOB % UTILIZED
			OPERATING BUDGET				
411	GOESSEL	283.50	1,762,920		6,218	0.0	0.0
310	FAIRFEILD	477.50	2,975,800		6,232	5.0	3.0
403	OTIS-BISON	357.00	2,229,120		6,244	0.0	0.0
332	CUNNINGHAM	316.50	1,976,560		6,245	5.0	1.8
477	INGALLS	276.00	1,725,840		6,253	0.0	0.0
505	CHETOPA	285.00	1,783,380		6,257	4.0	4.0
274	OAKLEY	503.90	3,153,276		6,258	5.0	5.0
439	SEDGWICK PUBLIC	389.50	2,439,360		6,263	10.0	10.0
479	CREST	314.00	1,966,680		6,263	0.0	0.0
425	HIGHLAND	292.50	1,832,587		6,265	3.0	2.9
354	CLAFLIN	329.00	2,063,120		6,271	12.0	4.8
462	CENTRAL	366.20	2,300,040		6,281	0.0	0.0
349	STAFFORD	316.50	1,990,063		6,288	15.0	5.0
218	ELKHART	529.50	3,343,469		6,314	25.0	13.2
219	MINNEOLA	258.50	1,636,560		6,331	0.0	0.0
507	SATANTA	371.50	2,359,994		6,353	12.8	7.3
334	SOUTHERN CLOUD	263.00	1,672,560		6,360	0.0	0.0
426	PIKE VALLEY	281.00	1,789,560		6,369	0.0	0.0
387	ALTOONA-MIDWAY	375.00	2,390,594		6,375	25.0	2.0
224	CLIFTON-CLYDE	392.00	2,504,760		6,390	12.0	6.4
351	MACKSVILLE	278.50	1,798,920		6,459	0.0	0.0
384	BLUE VALLEY	293.50	1,896,840		6,463	0.0	0.0
311	PRETTY PRAIRIE	306.50	1,982,030		6,467	6.0	6.0
395	LACROSSE	357.00	2,312,024		6,476	7.0	6.8
328	LORRAINE	559.10	3,636,040		6,503	15.0	12.4
223	BARNES	371.30	2,431,200		6,548	10.0	5.2
397	CENTRE	288.00	1,902,564		6,606	6.0	0.9
359	ARGONIA PUBLIC	243.00	1,607,760		6,616	0.0	0.0
492	FLINT HILLS	255.50	1,691,280		6,619	0.0	0.0
220	ASHLAND	256.50	1,704,849		6,647	5.0	2.5
509	SOUTH HAVEN	237.50	1,588,320		6,688	0.0	0.0
451	B & B	245.50	1,649,880		6,720	0.0	0.0
456	MARAIS DES CYGN	272.00	1,872,032		6,882	9.0	5.5
444	LITTLE RIVER	279.50	1,928,340		6,899	7.0	6.7
300	CAMANCHE COUNTY	410.50	2,841,773		6,923	25.0	14.3
433	MIDWAY SCHOOLS	221.00	1,540,080		6,969	0.0	0.0
212	NORTHERN VALLEY	205.00	1,470,600		7,174	0.0	0.0
103	CHEYLIN	222.50	1,598,400		7,184	0.0	0.0
283	ELK VALLEY	206.10	1,481,040		7,186	0.0	0.0
401	CHASE	194.50	1,400,400		7,200	0.0	0.0
502	LEWIS	191.00	1,375,560		7,202	0.0	0.0
279	JEWELL	203.00	1,462,680		7,205	0.0	0.0
474	HAVILAND	187.90	1,365,902		7,269	25.0	2.2
471	DEXTER	181.80	1,321,920		7,271	0.0	0.0
285	CEDAR VALE	174.00	1,267,200		7,283	0.0	0.0

ACTUAL COST PER PUPIL - ALL USD'S IN KANSAS  
 1993-1994 SCHOOL YEAR - SORTED BY COST PER PUPIL

USD#	USD NAME	ACTUAL FTE	93-94 CALCULATED OPERATING BUDGET	COST PER PUPIL	LOB % AUTHORIZE D	LOB % UTILIZED
238	WEST SMITH COUN	191.50	1,396,080	7,290	25.0	0.0
302	SMOKY HILL	193.50	1,419,280	7,335	8.0	1.8
326	LOGAN	221.00	1,629,600	7,374	25.0	6.9
104	WHITE RICK	194.00	1,431,720	7,380	25.0	0.0
299	SYLVAN GROVE	195.00	1,452,240	7,447	10.0	0.0
324	EASTERN HEIGHTS	172.00	1,295,280	7,531	0.0	0.0
291	GRINNELL PUBLIC	165.00	1,245,424	7,548	0.0	0.0
228	HANSTON	151.00	1,144,080	7,577	0.0	0.0
511	ATTICA	182.00	1,379,392	7,579	15.0	5.3
496	PAWNEE HEIGHTS	168.50	1,281,240	7,604	0.0	0.0
304	BAZINE	135.50	1,037,160	7,654	0.0	0.0
316	GOLDEN PLAINS	151.50	1,170,360	7,725	25.0	0.0
314	BREWSTER	146.50	1,140,480	7,785	0.0	0.0
292	WHEATLAND	167.00	1,300,320	7,786	0.0	0.0
390	HAMILTON	125.50	981,432	7,820	0.0	0.0
242	WESKAN	119.50	939,600	7,863	0.0	0.0
486	ELWOOD	193.50	1,525,680	7,885	0.0	0.0
455	HILCREST RURAL	152.00	1,202,400	7,911	0.0	0.0
371	MONTEZUMA	181.50	1,444,007	7,956	25.0	8.6
468	HEALY PUBLIC SC	117.00	940,600	8,039	10.0	2.9
317	HERNDON	86.50	700,200	8,095	0.0	0.0
269	PALCO	178.60	1,472,976	8,247	10.0	9.5
295	PRAIRIE HEIGHTS	96.50	807,840	8,371	0.0	0.0
221	NORTH CENTRAL	164.50	1,383,040	8,408	25.0	7.8
213	WEST SOLOMON VA	96.50	848,280	8,790	25.0	3.7
275	TRIPLAINS	110.50	986,880	8,931	25.0	8.2
217	ROLLA	196.50	1,758,600	8,950	25.0	25.0
225	FOWLER	153.50	1,383,279	9,012	25.0	21.3
209	MOSCOW PUBLIC	180.50	1,638,450	9,077	25.0	24.7
476	COPELAND	112.00	1,054,720	9,417	25.0	15.9
280	WEST GRAHAM-MOR	118.60	1,170,450	9,869	25.0	25.0
301	NES TRE LA GO	79.50	798,669	10,046	25.0	24.8
424	MULLINVILLE	100.50	1,034,100	10,290	25.0	25.0
399	PARADISE	109.80	1,132,200	10,311	25.0	25.0
TOTALS:						
		437,210.10	2,039,981,799	1,746,357	1958.0	1037.9

# Kansas State Board of Education

120 S.E. 10th Avenue, Topeka, Kansas 66612-1182

January 30, 1995

TO: Gloria Timmer, Director  
Division of the Budget

FROM: Dale M. Dennis, Asst. Commissioner  
Division of Fiscal Services and Quality Control

SUBJECT: 1995 Senate Bill 135

Senate Bill 135 provides that any student who attends a school district other than their district of residence will generate the lower amount of funding between the district of residence and the district they attend. For example, if a student lives in a school district with an enrollment over 1,900 and attends a district with an enrollment of 800, they would receive reimbursement on the same basis as if they attended school in the district of residence.

On the other hand, if a student lived in a small district of 500 students and attended a district with over 1,900 students, they would be funded at the amount authorized for the district they were attending.

There are approximately 7,000 students that attend school outside their district of residence. Of those 7,000 students, it is estimated that 50 to 60 percent would be affected by Senate Bill 135. By using the median weighting for school districts under 1,900, it is estimated that the median weighting would be reduced by .3612 or an additional \$1,300.32 per student from those districts that have students attending from districts having enrollments over 1,900. Therefore, assuming 50 percent of the 7,000 students would receive a lower weighting factor of .3612, it would reduce state aid by \$4,551,120 (3,500 students times \$1,300.32). Assuming 60 percent of the students are affected, it would reduce state aid by \$5,461,344 (4,200 students times \$1,300.32).

Therefore, by giving the school district the lower enrollment weighting in their district of residence or attendance, it would have the effect of reducing state aid by between \$4,551,120 and \$5,461,344.

Post-It <sup>®</sup> Fax Note	7671	Date	# of pages
To	USD 305	From	SEN VIDRICKSEN
Co./Dept.		Co.	
Phone #		Phone #	
Fax #		Fax #	

Dale M. Dennis  
Deputy/Assistant Commissioner  
Division of Fiscal Services and Quality Control  
(913) 296-3871  
Fax No. (913) 296-7933

## CATEGORY: MONEY

### School finance

USA continues to endorse the concept of providing equitable and adequate funding for Kansas schools. The positions listed here presume the infusion of new state monies into the school finance system. USA would oppose any effort to increase funding for some school districts at the expense of any other school districts. Specifically, USA would oppose any reduction to the present low enrollment funding system.

In order to improve both the equity and adequacy of the existing school finance program, USA will focus on legislation which would:

1. Provide an increase in the Base State Aid Per Pupil (BSAPP) to \$3,700, and assign an equity weighting factor of .036121 per FTE (the current weighting factor for 1,800) to all districts whose enrollment is 1,800 FTE students or above, and allow the cap on Local Option Budget (LOB) to remain at 25 percent above the legal maximum operating budget.
2. Provide that for the purpose of computing state aid, a district be allowed to use the previous year's FTE enrollment or the current year's FTE enrollment, whichever is greater.
3. Provide that a local board of education may establish or increase the Local Option Budget up to 3 percent per year up to a maximum of 10 percent. Any portion of the LOB above 10 percent would be subject to a protest petition.
4. Provide funding for 100 percent of the excess costs of special education.

In addition to these major issues, USA would support legislation which would:

1. Increase the weighting factor for at-risk students to at least .10.
2. Lower the reimbursement for transportation from 2.5 miles to one mile.
3. Increase the weighting factor for bilingual students to at least .50.
4. Provide for an increase in the general fund cash reserve.  
USA supports language which would allow increased flexibility in accessing the cash reserve fund.

### Constitutional limit on state general fund

USA would oppose any constitutional limitations on growth in the state general fund.

### Vocational education

To ensure that area vocational technical schools continue to provide valuable educational opportunities to the people of Kansas and to ensure that a well trained labor pool is available to existing and new industries and businesses, USA supports legislation that will provide \$2 million funding for AVTS capital outlay, and \$29.6 million for post-secondary aid.

### Legislation on bidding services

USA opposes legislation that either mandates or prohibits bidding on such services as engineering, architectural, legal, or auditing services.

	<b>240</b>	<b>307</b>	<b>306</b>	<b>393</b>
<b>Leaving 305</b>	<b>94</b>	<b>78</b>	<b>42</b>	<b>25 est.</b>
<b>Entering 305</b>	<b>6</b>	<b>21</b>	<b>12</b>	<b>6</b>



**TESTIMONY ON SENATE BILL 135**  
**MADE TO THE SENATE EDUCATION COMMITTEE ON**

**2/6/95**

This testimony is submitted to the Senate Education Committee by Bernard White, Supt. of Schools, USD 307, Ell-Saline.

In recent court rulings, it has been determined that the education of the students in this state is a responsibility of the state, and should not rest with the local school district. This ruling was the reason for establishing the new school finance legislation three years ago.

More recent court rulings have established the need for the low enrollment weighting that was a part of that legislation. Included in that finance plan was the provision funding of out-of-district students at the amount of the receiving district's cost per student, excluding the transportation funding. This was done in an effort to allow students to attend the public school of their choice, without paying additional fees. As a matter of fact, if the receiving district chooses to levy tuition for out-of-district students, the amount of state aid that would be allowed by the state would be reduced by the amount of the tuition received.

Senate bill 135, as submitted, would set the amount of budget authority the receiving district would be able to claim for an out-of-district student at the amount of the cost per student of the receiving or sending district, which ever was less.

The proponents of this bill will say that it is wrong for the State of Kansas to allow more budget authority for a student if he chooses to attend an out-of-district school. The recent court rulings would seem to disagree with this belief. Funding for education is a state responsibility, not a local responsibility. The Kansas Supreme Court has reviewed the legislation, and upheld the need for the low enrollment weighting factor. There was no statement made that the funding of out-of-district students at the amount that the receiving district spends to educate the student was not appropriate. It would seem that the current plan was upheld, and that there was not a problem with the funding of these students.

The proponents of this bill will also argue that they are playing on an uneven field. They want you to believe that

*Senate Education  
2-6-95  
Attachment 2*

it is unfair to allow each district the base budget per pupil that it costs to educate a student if the student is from out-of-district. In reality what the proponents want is to establish a condition that makes it an economic hardship for a district to accept students from another district with a lower cost per student, thus eliminating the opportunity for the students in the large district to have a choice of where to attend public school.

I do not think that the courts nor the legislature wishes to accomplish this. For the smaller district to receive a student from out-of-district at an amount less than they spend to educate a student in their schools, while the larger district is fully funded for the out-of-district students they accept, is truly creating an uneven playing field.

Another problem SB-135 will create is that if a district has some of its students attending a larger school, and receives students from the larger school, it has reduced the amount of moneys it will receive to educate the same number of students. In our case, we exchange twenty-one students with our larger neighbor. Under SB-135, our district would loose \$37,800 per year in budget authority, while the larger district would feel no effect. This would be the result of us loosing \$1800 per student from out-of-district while the larger district lost nothing for the out-of-district student. We would be creating a situation that would allow for students to transfer to large districts, but not to transfer to small districts.

Recently, we conducted a study of our out-of-district student population. The results were quite surprising. Of our 96 total out-of-district students, we found that 9 of their parents owned considerable amounts of land in our district, 4 of the students parents were in the process of completing homes in our district, 34 of the students lived within one mile of our district boundaries, 5 are children of district employees, 11 of the students started school as residents of the district, but the parents moved to another district and the children remained in our schools, and 19 students were the children of graduates of our district high school. That leaves 14 students that are attending our schools that have no real "ties" to our district, other than the parents wanting the students to have the opportunity for additional attention that students are receiving in our smaller classes. There are few students that are enrolled in our district from other districts that do not have strong needs for the small school environment. Should we go back to not considering individual differences, or should we allow for individual choices that will enhance the success of the students?

The opportunity for out-of-district students to transfer to neighboring districts is not infinite. The smaller districts will stop accepting those students when their facilities are full. Early reports that were published in our area indicated that the loss of students by the proponents of the bill was a mixed blessing. As a result of the loss of students, they were allowed to reduce classroom numbers and alleviate some of the overcrowded situations that existed.

Students that transfer to our schools do so for many reasons, Some of those reasons are:

1. Change peer relationships, because of problems developing in the sending school.
2. Parents concerned about declining grades, attitude, or attendance.
3. More opportunity for meaningful interaction with teachers.
4. Safer environment within the school and in the surrounding community.
5. Many opportunities to participate in activities.
6. Some students transfer as a result of recommendations from counselors, therapists, or doctors.
7. Parents have just moved to a large town from a small town setting, and do not wish their children to attend schools in the large town.
8. Little housing is available within our district while housing is available in the larger district.
9. Graduation rates are consistently over 97%.

As a district, we receive students from 4 other districts. If SB 135 is passed, it will become more difficult to plan our budget from year to year, as we will have students in our district receiving five different base budget per pupil amounts.

In conclusion, if the state wishes to keep the district boundaries open in both directions, they must not allow SB 135 to pass or even be considered. The results will be to restrict enrollment of our state residents and to create further hardships for many districts that would receive funding cuts and enrollment decreases as a result of this measure.

I sincerely wish to thank you for your time and consideration on this matter.

TO: Senate Education Committee  
FROM: Bob Goodwin, Supt. USD #306, Southeast of Salina  
DATE: February 6, 1995  
RE: SB #135

There are a number of issues associated with SB #135 that have a profound affect on the school district I represent, USD #306. I would like to take this opportunity to explain how passage of this bill would affect us and share with you some other factors you should consider.

We have 47 students attending our district from Salina of which 14 are the children of our staff who live in Salina but work in our district. We get requests each year from up to 100 students from the Salina district to attend in USD #306 but we don't accept all applicants. We will lose approximately \$45,000 if the bill is passed. That would obviously hurt a small district like ourselves with a limited budget.

The amount of money you take out of our budget and the budgets of other small districts that surround larger metropolitan areas will be absolutely devastating. For example, Jim Hayes, head of the research department for the Kansas Association of School Boards, reports that, at this time a teacher in the Salina school district who has been in their system for 20 years ranks at the 80th percentile in salary in the state of Kansas. In our district, teachers rank at the 65th percentile; in the El-Saline district, located on the west side of Salina, teachers rank at the 30th percentile; and in the Twin Valley district, located just north of Salina, teachers rank at the 25th percentile. All we ask is that you not take away our money which goes for supplies, teaching materials, equipment, heat for our buildings, repairs and all of the other things that small school districts pay higher proportionate costs for than do larger districts like Salina. We can't pay our career teachers as much as the larger districts like Wichita, Salina and Blue Valley at this time. Please don't make it even more difficult in the future.

Large school districts supposedly are more efficient than are small districts. As I look at the Salina schools I see 14 elementaries with six of them having fewer students than we have in our one 300 student elementary school. Seventeen years ago the patrons of our school district closed three rural schools and built a new one. This was done at a significant cost to the patrons of the district. The point is that we made hard decisions to make ourselves more efficient and so can Salina and other districts of that size. The local option budget allows them to fund their educational programs, but their patrons will not vote to do so. Please don't take money away from us because of the political environment in Salina and perhaps, in other large school districts.

This bill has grown out of a fight between two schools districts. The Twin Valley School District, #240, and the Salina School District, #305. Twin Valley has been trying to get the state to allow a transfer of territory to their district from Salina's district. This would have a negative financial impact on Salina. Negative feelings have been generated in this environment and we think this bill has been developed as a response to the situation. This bill was developed by the Salina School District and has been introduced by a state senator representing Salina and Saline county. We are asking that our district and other small districts close to large metropolitan areas not be punished for what has happened in Saline county. Thank you.

Senate Education  
2-6-95  
Attachment 3.

FEBRUARY 6, 1995

PREPARED REMARKS FOR COMMITTEE HEARING ON SENATE BILL #135

My name is Sharolyn Wagner, I reside in a rural area south of Bennington in northern Saline County. This area has traditionally attended a smaller out of district school in Bennington - USD 240. My current occupation is homemaker, farmer, and community volunteer. My husband and I have two pre-schoolers. As for my background, I have a degree in Elementary Education. From 1979-1989 I was employed by Hallmark Cards, Inc. My last position with them was as Quality Assurance Manager for the Lawrence Production Center, their largest manufacturing facility. The reason I mention this is because my work with that corporation has significantly impacted the way I view the educational process. In addition to ensuring high quality in manufacturing operations, I was ultimately held accountable for the end product. Dr. Paul D. Adams, former member and Chairman of the State Board of Education said "The Kansas State Board of Education believes that the future of Kansas will rest on our ability to produce world class people...", (Annual Report on Kansas Adult Education Program FY 1993). I emphasized the word produce because I see the objective of education as a product - and in secondary education an obvious measure of this product is the graduation rate.

Because of Senate Bill 135 I was especially interested in a comparison of graduation rates by school size. Since this data was not readily available, I surveyed my own geographic area. The school district where I hope my children will attend school, Twin Valley USD #240, has a 90-95% graduation rate. The other small school districts in the area have the following approximate rates;

Solomon - 90%

Ell-Saline - 95%

Southeast of Saline - 90-95%

Lindsborg - 98-99%

The district my children are assigned to - Salina USD# 305 - has a significantly lower rate - 71-80%. (Salina Journal, July 7, 1994) Now I realize that many factors figure into what causes children to dropout and that the way various districts tabulate this data varies somewhat. However, of the aforementioned small districts, all but Lindsborg could be considered

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"bedroom communities" of Salina. Many residents have moved from Salina yet continue to work and do business there. Our makeup is indeed quite similar. In fact, the poverty level in Bennington is virtually the same as in Salina. Although the Salina School System is a good one in many ways, it is still very large. And though a large district may be cheaper in terms of per pupil expenditures, it doesn't necessarily follow that this is the best bargain for society. I would suggest that a better marker for cost efficiency include the % of finished product - i.e. the graduation rate.

There are further related costs to society of people who do not graduate. These include higher crime rates, increased public assistance, reduced earning potential and subsequent taxes paid, not to mention a more dismal future for the dropout. Here are just a few figures to consider: 1.) According to the Department of Corrections as of June 30, 1994, over 70% of incoming inmates did not graduate from formal high school. 2.) The operating cost per capita in 1993 - which is the average cost per inmate - for prisoners was \$20,678. 3.) I was unable to find data relating high school graduating rates to public assistance programs <sup>across</sup> the board, however, of the 7500 served by the KANWORK jobs program, 54% do not have a high school degree. In Saline County, the average cost of a family on public assistance is \$17,118 (per SRS).

I would now like to direct your attention to a brief article from the Illinois School Board Journal, July - August 1994 issue reprinted in the KASB Journal.

These are only a few of the ways dropouts impact society. I would like to suggest that you refocus, look not at who can educate the cheapest, but instead who can deliver to society a contributing individual.

The impact of Senate Bill #135 is to limit parental choice. The recent trend in our nation's government is to return programs and decisions to local levels. Doesn't it just make sense that the persons closest to their children, their parents, should make these decisions?

I would pose another question. There are lots of reasons offered for why

we have so many problems facing urban America. Perhaps the loss of small schools and the sense of community they develop is one of them. In conclusion, I ask that you consider not only the short term costs - as Senate Bill #135 does- but also the long term costs to society... to our future.

TESTIMONY FOR SENATE EDUCATION COMMITTEE  
RE: Senate Bill 135  
February 6, 1995

My name is Rod Broberg and I am a resident of Northern Saline County. I am also the County Appraiser of Saline County, and currently serve as President-Elect of the Kansas County Appraisers Association. Some of you can expect to see me around the statehouse during the session to talk about issues relating to property taxation. I am here today, not as a representative of any formal organization, but as a consumer of educational services, and an opponent of Senate Bill 135.

My family, along with approximately 40 other families with school age children who reside in northern Saline County have made the decision to send our 63 children to USD 240 for the 1994-1995 school year, and if possible, until they have completed high school. The reasons for choosing to send our children to USD 240 are many, but suffice it to say that we feel USD 240 provides a much better educational setting for our children and better suites the rural lifestyle that we have chosen to live.

In addition to just sending our children to a different school, we as responsible citizens also want the opportunity to participate fully in the school district where our children are attending. As this is the case we are currently petitioning the State School Board for the transfer of six and one-half sections of land from USD 305 to USD 240. USD 240 has been gracious in accepting our request to become a part of their district. USD 305, however has been less than gracious in letting us pursue what we believe is best for our children. In fact, members of the USD 305 board have made such statements as "We know what is best for your children", and "USD 240 is just trying to take our land". As a father, a landowner, a taxpayer, and one who fully understands the concepts of government service, I am personally, and deeply offended by such statements.

Which brings us to Senate Bill 135. This bill is designed to change the funding for transfer students that fit just one of four possible transfer scenarios. They are as follows:

1. Students that transfer from one small school district to another small school district. No change in funding.
2. Students who transfer from one large school district to another large school district. No change in funding.
3. Students who transfer from a small school district to a large school district. No change in funding.
4. Students who transfer from a large school district to a small school district. The funding is changed to penalize the small district for accepting the transfer student.

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Proponents of this measure have said that it will save money. But will it? Too many questions remain unanswered. In addition to USD 305, the majority of Saline County is covered by USD 240, USD 306 and USD 307. They currently educate 289 transfer students at costs higher than those incurred USD 305. But each of these districts would have even higher costs than they do now were it not for the 94 to 100 transfer students that they now have. Each transfer student they take allows them to be more efficient.

Additionally, there is no real way to calculate the long term costs to society for the education of these children. Each of these smaller districts has a significantly better graduation rate than does USD 305, despite the fact that at least some of the 289 transfer students are at these smaller schools because the smaller schools are better able to see them through to graduation.

Why then, is this bill being considered today? Is because USD 305 has a burning desire to cut an additional \$5 million from the Governors \$7 billion budget. No, they say the money should be put back to raise the per pupil reimbursement from the state. Under this scenario, they would recoup about 70% of the money redistributed to the Saline County School districts. Even so, this would be a ridiculously small sum of money compared to the USD 305 budget.

My feeling is that the USD 305 Board is embarrassed by the fact that a group of rural families has found a better educational alternative for our children. Our request for a land transfer has brought to light a "dirty little secret" in Salina. The secret is that a surprisingly large and growing number of parents are seeking alternatives to the "efficient" education provided by USD 305. The only significant response to this situation is a vindictive piece of legislation that attempts to punish the small adjoining districts for accepting transfer students: a piece of legislation that attempts to hold hostage those persons who seek better alternatives for our children: a piece of legislation that attempts to seek retribution for the negative light they now feel they are under.

I have always believed that if your cause is just, and your heart is pure, then you will prevail. I do not believe that this piece of legislation meets either of these criteria.

Feb. 6, 1995

My name is Greg VanCoevern and I reside in northern Saline County. I am a parent of out-of-district students, therefore I come before you today, because the decisions that you make concerning Bill #135 will directly affect my children and their future education.

Bill #135 has been entered on behalf of U.S.D. 305--Salina. Their intent is to try to keep the children from attending smaller neighboring districts because when these children leave the district, the money moves with the children. Salina says they can't afford to lose that money. Salina says they need more money to run their district. A method for acquiring more money to educate students has been set up by the state. It is called a Local Option Budget. In Salina's case, they have been unable to convince their patrons that they do indeed need more money to run their schools. Not only once did this fail, but twice they were unable to persuade the tax-paying voters that more money was needed. After the defeat of the 2nd L.O.B. the 305 Board made changes in their district concentrating on only a few elementary attendance centers. Parents dissatisfaction with these board decisions led many to choose an alternate district for their childrens education. It is my belief that this bill is directed at those parents as a way to punish them for exerting their freedom of choice.

In closing, it is my belief that the intent of this bill is not to save the taxpayers of Kansas any money, it is a way to retaliate against out-of-district students by making them a financial burden on the receiving district. It appears to me that Salina should concentrate their efforts on improving problems in their own district instead of inflicting problems on their neighboring districts.

The most important issue here, is what is best for these children. A small group of students who go out-of-district for their education for many reasons should not be singled out and discrimintated against simply because it costs more to educate them in a rural area in which they live.

Greg VanCoevern  
4773 N. Wasserman Way  
Salina, KS 67401  
913-825-8349

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TESTIMONY BEFORE THE SENATE  
EDUCATION COMMITTEE  
FEBRUARY 6, 1995

Larry L. Geil, Superintendent  
Twin Valley Schools USD 240

Thank you for the opportunity to appear before your committee in opposition to Senate Bill 135. I regret that you are having to spend time on this bill as your time is valuable and there is more important work to be done for education and the children of this state. This bill has been introduced by a school district that is concerned only with money and not the needs of children. We have tried to keep the differences between the districts private by not responding in a negative manner and tried to stay away from publicity. However, we feel this bill calls for a response.

This is a community problem that can be illustrated by the following comparison:

The Twin Valley District in Ottawa and Saline Counties has in the last two years passed a bond issue to improve its schools and benefit the children at an added cost to the local district patrons. At this same time it is squabbling over the Ottawa County Jail and the issue as you are well aware has even reached the State Legislature. In contrast the Salina School District has had two local school option budgets defeated but at the same time a new jail is being constructed in Saline County--their priorities are in the wrong place.

The new finance law passed three years ago reduced the total mill levy for the Salina School District from over 80 mills to the low 40's. The mill levies for Salina and the five (5) districts that surround Salina are as follows:

Total 1994 Mill Levies	
Salina	42.39
Solomon	55.94
Twin Valley	55.60
Ell-Saline	48.10
Lindsborg	45.02
Southeast of Saline	39.53

As you can see, only one district has a lower mill levy than Salina, and this is because Southeast of Saline had the foresight to build new facilities in the 1970's and now has them paid for. The old adage that you can pay now or pay later is still very true for school districts.

Two of these school districts have mill levies that are 13 mills higher than Salina's. These districts' patrons are paying more to educate their children than Salina patrons are and would find it very difficult to accept out of district students if Senate Bill 135 was enacted as they would receive less aid for these students.

Approximately 300 of the 7500 Salina students attend school in the surrounding districts. This is less than 5% of the Salina student population. Many of these are rural students from rural areas that have traditionally not attended Salina schools. These are students that have not been served well by their home district because they are a rural minority.

In summary this is a punitive, discriminatory bill that would limit a parent's right to choose the school of their choice.

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Senate Education Committee Testimony  
February 6, 1995  
Senate Bill 97

Good afternoon. My name is Dr. David Benson, Superintendent of Schools in Blue Valley Unified School District #229. I would like to address the committee regarding Senate Bill 97.

The Blue Valley Schools face unique problems with a rapidly growing community and potential shrinking per pupil funding. Without a modification in the current school finance law, we will face the 1995-96 school year with approximately 850 new students and no meaningful increase in budget authority. This problem was brought about because of the two year and out phenomena associated with new facilities money.

In 1988, the Blue Valley board of education made a decision to address the growth and the need for additional facilities in a rational, planned manner. The district embarked on a carefully planned building program based on the provisions available under the rules of SDEA, with no knowledge that the funding would be changed in mid-stream. As mentioned in the data supplied to you, the old formula allowed a school district to increase its budget authority on a permanent basis when opening new buildings. The 1992 school finance plan, as amended, deleted this provision and provided a two-year weighting and an appeal to BOTA for two years.

**BLUE VALLEY SCHOOLS**  
**Student Enrollment**  
**1990-1996**

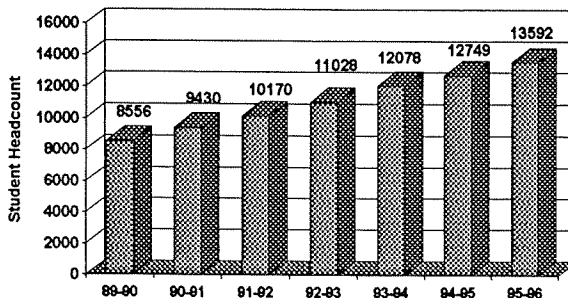


Figure 1

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Figure 1 demonstrates our growth since 1989-90 and estimates an additional 850 new students for the 1995-96 school year. We believe the housing starts and our historical data support this estimate. This growth and projected continued growth will cause the district to be in a continuous building program in the foreseeable future.

A look at figure #2 demonstrates that the new facilities weighting has been an important component and provided, during the 1994-95 school year, approximately \$350.00 additional budget authority per pupil.

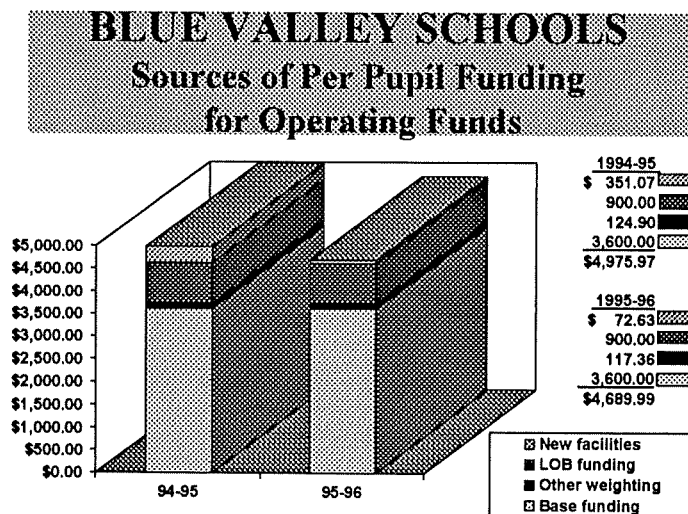


Figure 2

In 1995-96, the \$350.00 per pupil will drop to an estimated \$72.00 per pupil. We will lose the \$350.00 due to the two-year and out phenomena of new facilities funding and we will gain \$72.00 due to the same phenomena, the opening of yet another school in 1995-96.

This will create a situation, as demonstrated by figure #3, that Blue Valley's actual budget, when taking into account the base operating budget and new facilities, will grow by only \$186,000.00.

**BLUE VALLEY SCHOOLS**  
**Projected 1995-96 Operating Budget**

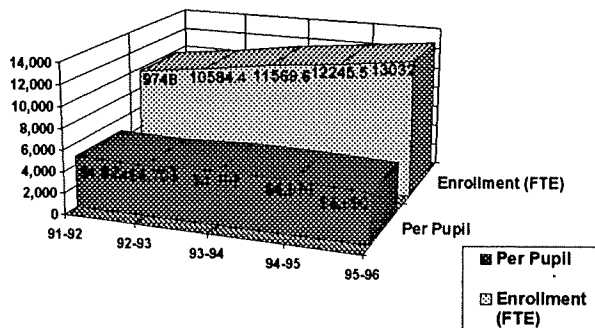
Item	Actual 1994-95	Proj. 1995-96
Base Operating Budget	\$ 56,634,225	\$ 60,173,475
New facilities	\$ 4,299,100	\$ 946,600
Total Operating Budget Authority	\$ 60,933,325	\$ 61,120,075
Net Increase		\$ 186,750

*Figure 3*

That increase will be expected to provide education for the 850 new students. This loss of budget authority will cause the district great difficulties in providing the same level of quality of education that our patrons are receiving today and will cause the district to reduce items within our budget for the second time in the history of the current school finance formula.

As a historical review, I would call your attention to figure #4 which is a recap of per pupil budget and student enrollment.

**BLUE VALLEY SCHOOLS**  
**Comparison of Student Enrollment and Budget Per Pupil, 1992-1996**



*Figure 4*

As you can see, the last year of the previous school finance formula, SDEA, the district had \$4,822.00 per pupil. The first year of the new finance formula, the district had less money per pupil, at \$4,703.00. This change occurred during the period of tremendous

student growth and a carefully delineated multi-year facilities development plan which had started in 1988.

Figure #5 demonstrates the base budget per pupil as compared with actual inflation rate during the same five-year period.

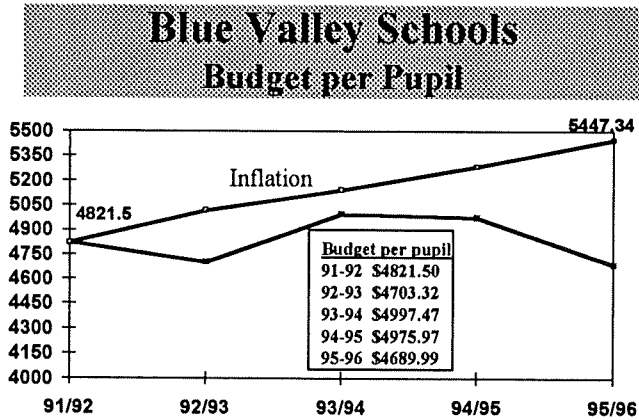


Figure 5

We are projecting the same flat line inflation for the 1995 year that we received in 1994. In real dollars, for Blue Valley to have the same purchasing power that we had in 1991-92, we would need a budget per pupil of approximately \$5,450.00 and we are projected to have without this legislative change, \$4,690.00. As you can see, purchasing power has obviously been affected over time that the school finance formula has been held static in terms of per pupil cost.

**BLUE VALLEY SCHOOLS**  
**Potential 1995-96 Impact**  
Without Substantial Legislative Changes:

- Limit salary increases
- Reduce the number of personnel hired for 95-96
- Increase class size
- User fees
- Reduce building budgets
- Continue to review line-item expenses

Figure 6

If Senate Bill 97 is not enacted, figure #6 details a second round of significant budget reductions or adjustments. Specifically, salaries for all personnel will be limited or frozen; no new personnel will be hired, which will result in increased class size; consideration will be given to reducing building budgets, which will affect the flexibility of principals' and their instructional teams to meet the needs of students; increased user fees for textbooks, activities, and lunches; and consideration of cutting line item expenditures wherever possible. These possible reductions will affect the best interests of our patrons and clients, the students, to receive a quality educational program.

Our problem comes from two areas. The first was changing formulas in the middle of a planned, long-range building program which was based on that formula. The second area is the two-year and out provision of the present formula. In 1993-94, we opened a senior high and an elementary school, and our budget per pupil did go up because of the new facilities funding and has provided us a two-year window for getting these schools on line. This is the second area of our problem. Due to our growth, we do not open schools at full capacity, but have planned to "grow into" a new school over a 4-6 year period. We do this to eliminate numerous boundary changes (which would translate into numerous moves for students) and because of our growth patterns. We believe this is in the best interest of the school district and its patrons; and this "best interest" has been supported by our community, which has been shown through their active participation and their support on bond issues. Although we have not reached full capacity in the senior high and the elementary schools opened in 1993-94, next year the new facilities money will end. Our budget per pupil will be at a five-year low of \$4,690.00, with our enrollment being at a five-year high and growing, and with more buildings being built and planned. This "dollars per pupil" will result in the previously cited flat budget and causes us to look at the above mentioned reductions.

The answer to this dilemma is to allow the district the opportunity to phase out the new facilities money over a period of five-years as proposed in SB 97. This "tailing" effect



would be beneficial so the district administrative team and board of education can plan for new facilities and the phasing in of those facilities into our budgetary practices without dramatic losses in any one specific year.

SB 97 allows for the following: First, the bill will be funded locally.

Second, we are asking you for the opportunity to control our own budgetary destiny by phasing the new facilities component of our budget out over a three-year period. This extension would be based upon the amount of funds currently provided by law in year 2 of the new facilities money. We're asking that that be extended in the following manner:

- ♦ that we obtain 75% of those funds in year 3,
- ♦ 50% of those funds in year 4,
- ♦ and 25% of those funds in year 5

thereby, creating a phasing out or "tailing" of the new facilities money to allow us to bring those buildings into the district budget in a planned, progressive manner. This will not create permanent budget authority as the old SDEA formula provided. As our growth and needs for new buildings decreases, so would our base budget per pupil, but it would decrease in an acceptable manner.

Third, the current law states that district needs to grow by 7% before it can go to the Board of Tax Appeals for budget authority not covered by the .25 weighting. Senate Bill 97 repeals this requirement and states that the State Department of Education would determine what districts would qualify for this growth funding. This would allow this component of the school finance act to be available to other districts.

We believe this extension of new facilities money, the other district application of that option, and the local funding aspect, are consistent with good public policy for the state to provide adequate funding for districts experiencing student growth.

I would be pleased to answer any questions the committee might have.

## **HISTORY OF NEW FACILITIES FUNDING**

Prepared by Blue Valley USD Personnel

### **SCHOOL DISTRICT EQUALIZATION ACT (SDEA)**

A school district would appeal directly to the State Board of Tax Appeals for additional budget authority for opening a new school facility. The district would detail the school to be opened, list the categories, moneys needed for each, and present their case to BOTA.

Hearings would be held (pro and con); if more information was desired, BOTA had the authority to request same or to request revised or expanded materials.

BOTA had the authority to grant all, part, or none of the requested budget authority. Budget authority was permanent.

### **SCHOOL DISTRICT FINANCE AND QUALITY PERFORMANCE ACT**

This law included a new facilities weighting of .25 for each student IN the new school facility. To receive this weighting, a district had to have a Local Option Budget of 25%.

In 1993, the law was amended to allow a district to appeal to BOTA for funds over and above the weighting of .25 received by the district. The district would detail their costs for opening a new school, deduct the moneys received through the weighted funding, and would request extra budget authority on the difference.

Hearings would be held on the amount requested. BOTA could request additional or revised information and could grant all, part, or none of the requested budget authority.

To be allowed the appeal to BOTA, a school district must have received the weighting of .25 AND had an average growth of 7% over a three-year period.