

MINUTES OF THE HOUSE COMMITTEE ON EDUCATION K-12.

The meeting was called to order by Chairperson Ralph Tanner at 9:00 a.m. on January 23, 2002 in Room 313-S of the Capitol.

Committee staff present: Ben Barrett, Legislative Research Department
Carolyn Rampey, Legislative Research Department
Jill Wolters, Revisor of Statutes
Ann Deitcher, Committee Secretary

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

Diane Gjerstad, representing the Wichita Public Schools, introduced Colonel Hester, Commander of the Wichita JROTC Leadership Corps, who presented students belonging to the corps who spoke to the Committee of their experiences as members. (Attachment 1).

HB 2605 - concerning school district finance; providing for declining enrollment weighting.

Deputy Commissioner Dale Dennis explained **HB 2605** to the Committee. (Attachment 2).

Appearing before the Committee in support of **HB 2605** were school superintendents: Ken Jones, USD 493, Columbus; Duane Steele, USD 294, Oberlin; Lee Tarrant, USD 318, Atwood; Robert Scheib, USD 208, WaKeeney; and Jay Smith, USD 447, Cherryvale. (Attachments 3 through 7). Presenting written testimony but not appearing before the Committee was Superintendent Larry Wittmer, USD 479, Crest. (Attachment 8).

Craig Grant of the Kansas National Education Association, spoke to the Committee as a proponent of **HB 2605** (Attachment 9).

In opposition of **HB 2605** was Mark Tallman, Assistant Executive Director/Advocacy of the Kansas Association of School Boards. (Attachment 10). He explained that he would not be opposed to the concept of the bill if there was sufficient funding.

A Legislative Research Department report offering information regarding school finance was distributed. (Attachment 11). This included a table on the decreasing enrollment provisions from 1992-93 to the present.

The meeting was adjourned at 10:30 a.m. The next meeting is scheduled for Thursday, January 24, 2002.

WICHITA JROTC LEADERSHIP CORPS

- Initiated in Wichita in 1994. Currently, eight high schools with JROTC and four middle schools have Leadership programs. Opening enrollment this year-1600 cadets; 60% male and 40% female.
- Mission. "To motivate young people to be better citizens." Accomplished through detailed curriculum including the following areas: Leadership traits, principles, and techniques; improved oral and written communication skills; U S history and government; civics; character development; teamwork; service learning; and life skills including first aid and health, physical training, and map reading and land navigation.
- Credit. JROTC is a four-year program earning elective credit for graduation; Leadership is a three-year program. (Note: Air Force JROTC may earn one required non-regents science credit.)
- Academics. Both programs fully support graduation and higher education opportunities. Scholarship opportunities for ROTC and service academies are enhanced through JROTC.
- Instructors. JROTC instructors are fully accredited, retired officers and noncommissioned officers. All officers and majority of noncommissioned officers have college degrees. Leadership instructors are fully accredited and have military experience. Instructors are teachers, trainers and mentors who are committed to helping cadets.
- Uniforms/Rank/Awards. Uniforms worn once a week. Rank is earned based on overall performance in the programs and school. Awards earned for leadership ability, academics, attendance, physical training, team drill, sports, and other school related activities.
- Extracurricular Activities. Cadets are encouraged to participate in a multitude of activities to include service learning/community service; adventure training; drill and physical fitness competitions; academic tournaments; social events such as military balls, awards ceremonies and lock-ins; district Leadership School; and JROTC summer camp.
- Leadership Program. District developed and funded initiative to provide JROTC related activities to middle school students. Overall outstanding success with the program copied by many other districts across the United States.
- Success. District programs have accomplished all objectives as witnessed by success of cadets and supported by parents, educators and community leaders.
- Challenges. Finding the right teachers/mentors and providing teacher allocations at the middle schools to start the program.

A stylized, hand-drawn logo for JROTC. The letters 'JROTC' are written in a bold, slanted, sans-serif font. The 'J' and 'R' are connected, and the 'O' is a simple circle. The 'T' and 'C' are also connected. The logo has a slightly distressed or ink-like appearance.

House Education Committee

Date: 1/23/02

Attachment # 1



Kansas State Department of Education

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

January 23, 2002

TO: House Education Committee

FROM: Dale M. Dennis, Deputy
Commissioner of Education

SUBJECT: 2002 House Bill 2605

House Bill 2605 amends the school finance law to include a .2 weighting for school districts with declining enrollments. This weighting is computed by multiplying the difference between the 1994-95 enrollment and the current year's enrollment.

As per the attached listing, there are 195 school districts whose enrollment has declined since the 1994-95 school year. We compared the September 20, 1994, and September 20, 2001, enrollments with a total decline of 19,643.9 students. This bill would increase that number by adding a year which we estimate at 22,918 students.

Therefore, the estimated cost of House Bill 2605 would be \$17,738,532 (22,918 students x .2 x \$3,870 BSAPP).

Division of Fiscal & Administrative Services

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House Education Committee

Date: 1/23/02

Attachment # 2-1

USD		FTE	FTE	
No.	USD Name	9/20/94	9/20/2001*	Difference
512	Shawnee Mission	30,645.4	29,300.9	(1,344.5)
383	Manhattan	6,425.2	5,242.0	(1,183.2)
500	Kansas City	20,793.1	19,985.2	(807.9)
475	Junction City	6,740.8	6,019.6	(721.2)
445	Coffeyville	2,492.9	2,035.5	(457.4)
308	Hutchinson	5,017.8	4,577.4	(440.4)
250	Pittsburg	2,824.3	2,421.2	(403.1)
202	Turner	3,854.0	3,460.4	(393.6)
428	Great Bend	3,356.5	3,069.1	(287.4)
453	Leavenworth	4,344.4	4,066.5	(277.9)
257	Iola	1,819.5	1,544.5	(275.0)
503	Parsons	1,881.8	1,608.5	(273.3)
446	Independence	2,322.1	2,058.0	(264.1)
309	Nickerson	1,440.8	1,179.3	(261.5)
473	Chapman	1,332.5	1,077.8	(254.7)
315	Colby	1,322.6	1,069.4	(253.2)
382	Pratt	1,405.5	1,160.0	(245.5)
495	Ft. Larned	1,208.1	975.3	(232.8)
353	Wellington	2,013.2	1,792.7	(220.5)
327	Ellsworth	875.0	655.5	(219.5)
470	Arkansas City	3,102.0	2,891.8	(210.2)
501	Topeka	13,649.4	13,445.8	(203.6)
431	Hoisington	835.5	632.0	(203.5)
379	Clay Center	1,702.6	1,506.7	(195.9)
208	WaKeeney	645.0	452.0	(193.0)
364	Marysville	1,037.5	845.1	(192.4)
489	Hays	3,428.3	3,237.5	(190.8)
407	Russell	1,232.8	1,047.5	(185.3)
415	Hiawatha	1,210.8	1,029.3	(181.5)
490	El Dorado	2,271.3	2,108.8	(162.5)
352	Goodland	1,207.1	1,046.4	(160.7)
347	Kinsely-Offerle	448.7	288.5	(160.2)
373	Newton	3,442.3	3,298.5	(143.8)
417	Morris County	1,099.2	956.8	(142.4)
330	Wabaunsee East	651.4	510.1	(141.3)
427	Belleville	664.0	529.9	(134.1)
450	Shawnee Heights	3,395.9	3,265.1	(130.8)
466	Scott County	1,114.0	984.0	(130.0)
270	Plainville	513.0	383.2	(129.8)
234	Ft. Scott	2,123.2	1,993.5	(129.7)
333	Concordia	1,353.4	1,225.9	(127.5)
294	Oberlin	621.5	495.5	(126.0)
482	Dighton	400.9	275.7	(125.2)
418	McPherson	2,654.5	2,533.8	(120.7)
389	Eureka	843.5	724.0	(119.5)
237	Smith Center	636.3	519.0	(117.3)
467	Leoti	590.5	473.8	(116.7)
318	Atwood	466.0	352.5	(113.5)
254	Barber Co.	742.0	629.5	(112.5)
300	Commanche County	416.7	306.0	(110.7)
345	Seaman	3,399.3	3,289.2	(110.1)
435	Abilene	1,492.5	1,382.4	(110.1)

USD		FTE	FTE	
No.	USD Name	9/20/94	9/20/2001*	Difference
412	Hoxie	480.0	374.0	(106.0)
325	Phillipsburg	737.0	635.0	(102.0)
464	Tonganoxie	1,523.6	1,423.7	(99.9)
511	Attica	212.5	114.5	(98.0)
441	Sabetha	1,067.5	972.0	(95.5)
487	Herington	592.0	498.6	(93.4)
310	Fairfield	470.0	378.7	(91.3)
284	Chase County	567.2	476.4	(90.8)
282	West Elk	540.5	451.2	(89.3)
244	Burlington	967.4	881.3	(86.1)
246	Northeast	631.7	548.0	(83.7)
273	Beloit	826.4	743.0	(83.4)
484	Fredonia	916.8	835.0	(81.8)
312	Haven	1,184.0	1,103.0	(81.0)
403	Otis-Bison	358.5	277.5	(81.0)
322	Onaga	448.0	367.5	(80.5)
413	Chanute	1,977.7	1,897.2	(80.5)
377	Atchison County	836.5	756.5	(80.0)
280	Morland	107.0	29.0	(78.0)
459	Bucklin	394.5	316.5	(78.0)
272	Waconda	579.5	503.4	(76.1)
366	Woodson	639.0	563.5	(75.5)
239	North Ottawa Co.	734.6	660.0	(74.6)
463	Udall	412.5	338.0	(74.5)
248	Girard	1,121.0	1,047.0	(74.0)
216	Deerfield	367.8	294.5	(73.3)
469	Lansing	1,941.5	1,873.0	(68.5)
387	Altoona-Midway	379.5	313.5	(66.0)
338	Valley Halls	499.0	433.5	(65.5)
380	Vermillion	654.0	588.5	(65.5)
508	Baxter Springs	925.5	861.5	(64.0)
222	Washington	418.5	355.5	(63.0)
281	Hill City	519.3	457.0	(62.3)
479	Crest	306.5	245.0	(61.5)
274	Oakley	528.9	467.5	(61.4)
447	Cherryvale	645.5	585.0	(60.5)
493	Columbus	1,370.9	1,310.5	(60.4)
258	Humboldt	622.4	562.0	(60.4)
378	Riley County	665.1	606.0	(59.1)
205	Leon	808.5	750.4	(58.1)
320	Wamego	1,406.1	1,348.0	(58.1)
211	Norton	781.9	724.5	(57.4)
341	Oskaloosa	727.9	670.5	(57.4)
434	Santa Fe	1,353.5	1,296.2	(57.3)
245	LeRoy-Gridley	368.5	312.5	(56.0)
302	Smoky Hill	182.5	126.5	(56.0)
376	Sterling	557.0	501.0	(56.0)
329	Alma	580.5	526.1	(54.4)
392	Osborne	515.0	461.0	(54.0)
224	Clifton-Clyde	377.5	324.5	(53.0)
255	South Barber Co.	371.3	319.5	(51.8)
331	Kingman	1,214.4	1,163.0	(51.4)

USD		FTE	FTE	
No.	USD Name	9/20/94	9/20/2001*	Difference
422	Greensburg	371.0	320.5	(50.5)
101	Erie-St. Paul	1,168.0	1,118.0	(50.0)
271	Stockton	435.0	386.0	(49.0)
440	Halstead	763.0	714.0	(49.0)
334	Southern Cloud	267.5	220.0	(47.5)
358	Oxford	430.0	382.5	(47.5)
328	Lorraine	549.5	503.0	(46.5)
251	North Lyon Co.	733.6	687.5	(46.1)
252	Southern Lyon Co.	654.9	609.0	(45.9)
429	Troy	431.0	386.0	(45.0)
419	Canton-Galva	473.6	428.9	(44.7)
241	Wallace	292.0	247.5	(44.5)
297	St. Francis	437.0	393.0	(44.0)
104	White Rock	187.0	143.5	(43.5)
279	Jewell	209.0	166.0	(43.0)
488	Axtell	371.3	328.5	(42.8)
360	Caldwell	346.0	303.5	(42.5)
359	Argonia	257.5	215.5	(42.0)
286	Chautauqua	491.5	449.7	(41.8)
200	Greeley County	353.5	312.0	(41.5)
425	Highland	290.5	249.0	(41.5)
343	Perry	1,052.3	1,011.0	(41.3)
278	Mankato	304.5	263.5	(41.0)
103	Cheylin	219.0	179.0	(40.0)
384	Blue Valley	307.5	267.5	(40.0)
455	Hillcrest	169.0	129.7	(39.3)
406	Wathena	455.0	416.5	(38.5)
303	Ness City	341.6	303.9	(37.7)
350	St. John-Hudson	471.0	433.3	(37.7)
221	North Central	161.0	124.5	(36.5)
369	Burrton	308.5	272.1	(36.4)
304	Bazine	128.5	92.5	(36.0)
401	Chase	203.0	170.0	(33.0)
291	Grinnell	164.0	132.0	(32.0)
454	Burlingame	366.2	334.4	(31.8)
390	Hamilton	129.2	97.5	(31.7)
448	Inman	479.0	447.8	(31.2)
498	Valley Heights	472.0	440.8	(31.2)
212	Northern Valley	205.0	175.0	(30.0)
432	Victoria	348.0	318.4	(29.6)
206	Remington-Whitewater	555.5	526.5	(29.0)
411	Goessel	322.3	293.4	(28.9)
299	Sylvan Grove	188.0	159.5	(28.5)
301	Nes Tres La Go	75.5	47.5	(28.0)
275	Triplains	120.1	93.0	(27.1)
355	Ellinwood	575.8	548.8	(27.0)
213	West Solomon	99.0	72.5	(26.5)
430	Brown County	703.9	677.5	(26.4)
395	LaCrosse	365.5	339.8	(25.7)
344	Pleasanton	420.9	396.0	(24.9)
332	Cunningham	320.5	298.0	(22.5)
317	Herndon	113.0	91.5	(21.5)

USD No.	USD Name	FTE 9/20/94	FTE 9/20/2001*	Difference
409	Atchison	1,635.6	1,614.5	(21.1)
426	Pike Valley	293.5	272.5	(21.0)
442	Nemaha Valley	517.6	497.4	(20.2)
460	Hesston	819.0	799.6	(19.4)
361	Anthony-Harper	1,042.0	1,022.8	(19.2)
386	Madison-Virgil	309.0	290.0	(19.0)
220	Ashland	266.5	248.3	(18.2)
421	Lyndon	501.5	485.0	(16.5)
288	Central Heights	637.0	621.0	(16.0)
290	Ottawa	2,358.1	2,342.5	(15.6)
228	Hanston	140.0	126.3	(13.7)
496	Pawnee Heights	174.0	160.5	(13.5)
326	Logan	221.0	208.0	(13.0)
424	Mullinville	101.0	88.0	(13.0)
374	Sublette	492.0	479.3	(12.7)
388	Ellis	387.9	375.4	(12.5)
247	Cherokee	822.6	811.0	(11.6)
462	Central	363.9	353.5	(10.4)
433	Midway	218.6	208.5	(10.1)
504	Oswego	499.0	489.0	(10.0)
342	McLouth	552.0	542.5	(9.5)
269	Palco	168.5	159.5	(9.0)
289	Wellsville	748.9	739.9	(9.0)
219	Minneola	267.5	259.0	(8.5)
298	Lincoln	410.0	401.5	(8.5)
444	Little River	284.5	276.5	(8.0)
456	Marais Des Cygnes	292.0	284.0	(8.0)
474	Haviland	186.5	178.5	(8.0)
210	Hugoton	1,008.5	1,002.3	(6.2)
397	Centre	299.8	294.0	(5.8)
502	Lewis	178.5	173.5	(5.0)
354	Clafin	341.0	336.6	(4.4)
293	Quinter	361.0	357.0	(4.0)
283	Elk Valley	236.8	235.0	(1.8)
349	Stafford	329.2	327.4	(1.8)
243	Lebo-Waverly	593.1	591.5	(1.6)
506	Labette County	1,747.6	1,746.0	(1.6)
452	Stanton County	548.4	547.1	(1.3)
314	Brewster	148.5	148.2	(0.3)
TOTAL		237,079.8	217,435.9	(19,643.9)
* 9/20/01 FTE is unaudited.				

Impact of Declining Enrollment on The Fixed Costs of The
Columbus Unified School District #493 Budget

Respectfully Submitted
By
Ken Jones
Superintendent

Columbus U.S.D. #493
Columbus, Kansas

House Education Committee

Date: 1/23/02

Attachment # 2-1

Impact of Declining Enrollment on Fixed Costs and The Columbus Unified School District #493 Budget

Columbus U.S.D. #493 is located in Cherokee County in southeast Kansas. U.S.D. #493 is a rural school district consisting of 354 square miles. There are six elementary buildings in the district, one junior high school and one high school. U.S.D. #493 currently employs 116 certified staff and 86 classified staff members. The official full-time equivalent enrollment on September 20, 2001 was 1309 students.

Enclosed is an enrollment summary for the past 10 years in U.S.D. #493. As you can see, since 1997 there has been a steady decline in enrollment. During that time, we have lost a total of 112.5 full-time equivalent students for an average decline of 28.1 students per year. Demographic forecasts do not indicate a reversal of this population trend in Cherokee County. This decline in enrollment equals \$435,375 in lost revenue for the fiscal year ending June 30, 2002. The cumulative revenue lost to the district during the past five years would be substantially more.

The Columbus U.S.D. #493 Board of Education and administration has worked hard to continue providing a quality education for our students in spite of declining enrollment and subsequent loss of revenue. The number of certified and classified staff has been reduced when appropriate without affecting effective classroom instruction. However, there is a point at which continued staff reduction is not educationally practical.

There are a number of fixed costs that the district must absorb each year regardless of a decline in enrollment and the subsequent loss of revenue. We are seeing a continued escalation of these expenses due to salary increases, increased cost for health insurance, and supplies.

- **Transportation** – Due to the geographic structure of U.S.D. #493, the same number of bus routes must continue running in order to transport our students. Additional combining of routes would result in students riding for unrealistic long periods of time in the morning and evening. The minor tinkering that we have done with our routes has resulted in

considerable patron resistance. There are actually more daily routes currently than in 1997 due to the substantial increase in our special education population. In order to provide an appropriate education for all students, we have multiple routes transporting a very small number of students to Parsons, Cherokee, and Riverton in addition to our normal daily morning and evening routes. There has been a 1.8% transportation budget increase since 1997.

- **Food Service** – The loss of students has not allowed us to reduce expenses in food service. The enrollment decline has been spread out in all buildings, which actually has minimal impact on each building's food service program. When students who qualify for the free lunch program are lost to the district, there is additional revenue lost. The food service expenditures have increased 2% since 1997.
- **Maintenance/Custodial** – There has been a 7.3% increase in the maintenance/custodial expenditures since 1997. Short of closing buildings, it is not realistic to reduce staff significantly or expenses in this department. The facilities must be maintained in order to provide a safe learning environment for kids.
- **Utilities/Insurance** – In spite of declining enrollment, our utility/insurance expenditures have increased 34.5% over the past five years. The loss of students does not reduce the need to provide water, trash removal, telephone services, or heating and cooling the facilities. Due to the increased expectations in technology, there has been a significant increase in expenditures for technology/internet service in our buildings during the past five years. In 1997 U.S.D. #493 did not have a technology budget, but this year we will spend approximately \$175,000.
- **Vocational Education Programs** – Even though additional funds are provided to augment these valuable programs, the costs exceed the revenue. We have seen an increase of 58% in the vocational budget since 1997, yet at the same time fewer students are being served and we have less revenue coming into the budget.

- **Special Education** – While there has been a decline in general population students in U.S.D. #493, the number of students with special needs has increased from 157 to 194 students. The districts special education budget has increased by 31% since 1997. As you know, these valuable services are mandated without adequate funding provided.
- **Inservice** – U.S.D. #493 encourages ongoing training for teachers and staff in order to provide quality education in the classroom. We are committed to school improvement and feel strongly that our staff must be given the training and tools necessary to provide the best educational opportunities for every student. Consequently, the inservice fund has increased 39.6% since 1997.

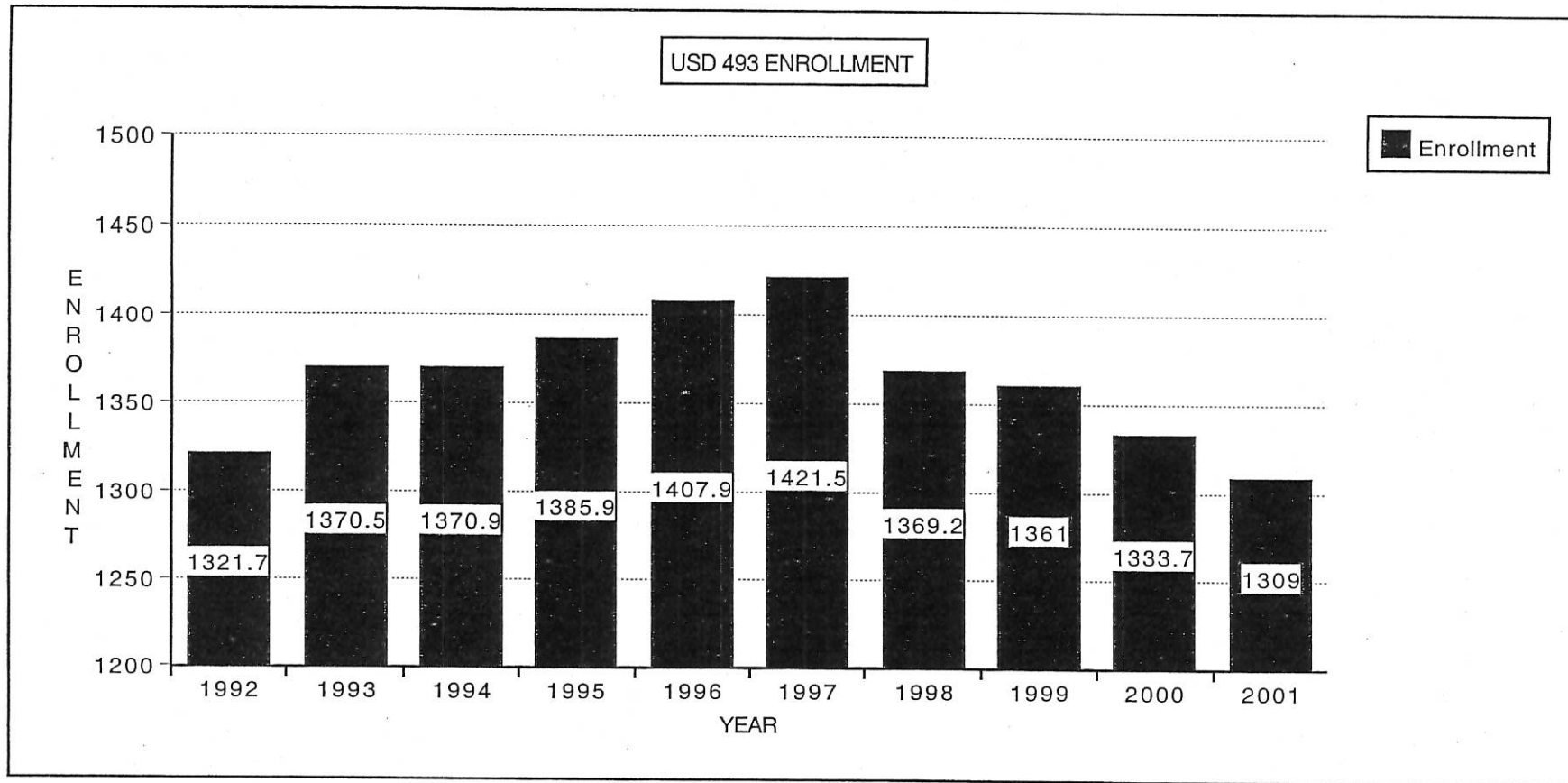
The total increase in costs for the above items since 1997 has been \$417,098. As stated earlier, the district has lost \$435,375 in revenue this year due to a decline in enrollment from 1997. While we have worked hard and successfully to live within our means, it becomes more challenging each fiscal year.

We realize some would suggest that we should close some of our buildings to be more cost efficient and I cannot argue that point. The challenge we face in our district is the need for additional classroom space in order to close existing facilities. The reality of the situation is that our patrons would be very reluctant to pass a bond issue for classroom expansion knowing that it would result in closure of their neighborhood schools.

Please give consideration to HB 2605 that would help districts such as ours who are loosing kids and facing increasing fiscal responsibilities and challenges.

Thank you for your time and consideration.

3-5



The chart showing FTE, not headcount, over the past ten years indicates that since 1998 we have joined the ranks of declining enrollment with approximately two-thirds of the school districts in Kansas. According to figures released by the Kansas Association of School Boards, enrollment declines across the state have accelerated during the past two years. Again, Columbus USD 493 enrollment figures are consistent with these statistics. USD 493 enrollment has declined 27.3 and 24.7 the past two years respectively for a total of 52 students. Population and birth forecasts do not indicate a change in this trend.

5

DUANE STEELE
SUPERINTENDENT OF SCHOOLS, USD 294

CONFeree ON FABER-GATEWOOD HB 2605

JANUARY 23, 2002
HOUSE OF REPRESENTATIVES EDUCATION COMMITTEE

House Education Committee

Date: 1/23/02

Attachment # 4-1

January 23, 2002

House Education Committee Testimony

Thank you for giving me an opportunity to speak to this governing body. I am Duane Steele, Superintendent of Schools at USD 294, Oberlin. I am here in support of Faber-Gatewood HB 2605. This bill is a declining enrollment incentive. We understand that this is only a small part of the big picture that exists. The declining enrollment problem is a state-wide problem. An estimate would be that two thirds of the districts in the state are struggling with this issue. As an educator, I believe we must start somewhere to save the quality of our schools. This is where I choose to hang my hat.

Declining enrollment puts extreme pressure on our school systems to accept less learning opportunities for our students. Past increases in funding for 'budget per pupil' are neutralized by our declining enrollment. As budgets tighten, quality programs must be scrutinized, not by their worth, but by the numbers of students served. In this scenario, vital advanced classes and elective programs will be dropped from the schedule. This action severely impacts the learning opportunities available to all students. The advanced classes and elective programs are the learning opportunities that truly make successful schools. At Oberlin, we have taken the appropriate steps to maintain our system. We have requested and received a detention facility, Sappa Valley Youth Ranch. This opportunity allows us to maintain teacher employment, while spreading the cost of teachers away from the general fund. Without this facility, we would be compelled to use our reduction in force policy.

We have also chosen not to replace personnel after retirement or resignations. Attrition has been our method of controlling personnel costs. I believe we have reached the end of those incentives that my board and I can implement to maintain a suitable school system. The next option that we have is the elimination of advanced classes and elective programs. The elimination of programs and key staff will diminish the quality of education presented to students, in all declining enrollment schools.

House Bill 2605 may not be equal to all school districts. That does not deter me from supporting this plan. Declining enrollment is a singular problem that requires special attention. I feel we must address many problems including

budget per pupil, declining enrollment, and special education funding. Declining enrollment is but one problem in a group of problems. We must address our financial problems head on, one step at a time. We are struggling for funding solutions in education, and we will listen to any solution that will keep our school successful. I ask you to consider HB 2605 as one method of maintaining a vital educational system for a significant student population. HB 2605 is an incentive that will maintain the quality of education, it will not save schools from budget decisions.

My colleague and Superintendent of Schools at USD 318, from Atwood, Lee Tarrant, will follow my presentation. He has a far more devastating scenario to tell than USD 294. Each school suffering from declining enrollment will be following USD 318's lead as finance ignores the reality of declining enrollment. The Atwood School District is in the precarious position of dismantling, as we speak.

Audited Budget Information for U.S.D. 294
1995-2002

H-4

<u>Budget Year</u>	<u>Audited General Fund Budget</u>	<u>Audited Supplemental General Fund Budget</u>	<u>FTE</u>
1994-1995	\$3,516,120.00	\$0.00	621.50
1995-1996	\$3,428,383.00	\$0.00	589.50
1996-1997	\$3,391,546.00	\$0.00	587.00
1997-1998	\$3,425,945.00	\$0.00	572.00
** 1998-1999	\$3,378,651.00	**\$113,893.00	557.50
1999-2000	\$3,375,658.00	\$189,745.00	527.90
2000-2001	\$3,253,834.00	\$294,614.00	496.00
* 2001-2002	\$3,477,969.00	\$340,145.00	495.50

*Budget not yet audited by KSDE for this year

**LOB (Local Option Budget) activated to generate local monies

I would like to thank the House Education Committee for the opportunity to speak in support of House Bill 2605. I am Lee Tarrant, Superintendent of Schools of USD #318, Atwood.

The School Finance Formula is, at best, a very complicated formula and one that is trying to fund very diverse groups of school districts. Therefore, I'm sure someone can find something wrong with anything proposed. This bill is no exception. I am here to explain how this bill will assist USD 318 and the majority of the school districts in the state transition to the lower staff levels required by declining enrollment.

The Atwood school district has experienced declining enrollment for many years. We have tried to meet the budget loss, like most other districts, by reducing staff and increasing the LOB. USD 318 has been able to maintain an excellent educational program during this period. We exceed the state average on tests at about the same rate the state exceeds the national average. However, without adequate staff and resources I believe the test scores will begin to fall. I understand that as students leave the district there must be a corresponding decrease in staff and other programs. Because of the square miles in the district and the fact that we have only two buildings, our reductions must, for the most part, be staff.

USD 318 has lost 113.5 students and are projecting another 30 next year. We have reduced 11.3 staff members since the 94-95 school year. Monday evening we reduced staff by another 3.6. We will meet again on January 30th with plans to reduce an additional 5.0 bringing the total to 19.9. The LOB has increased during this period and next year we will have reached 25%. This, in the past, has allowed us to maintain a quality educational program. I also understand and appreciate the fact that in order to help with declining enrollment, we are able to average the last year with current year and projected next year enrollment or take the higher of the three. However, in our case we lost 30 students last year and we anticipate losing 30 each year for the next two years, so any way you use the formula, we will lose funding for 30 students.

USD 318 currently receives approximately \$7,400 per student. This includes both state funding and local option budget. Therefore, for approximately every five students we lose, we also lose funding for one staff position. The current low enrollment weighting factor is a double-edged sword; we can't fund schools without it but when you lose enrollment, your loss is almost doubled. We do not have a 5:1 pupil/teacher ratio so I think you can understand how the current budgeting formula is causing us to reduce staff disproportionate to the number of students lost. House Bill 2605 would at least soften this blow and allow a more orderly transition to the lower staffing levels required.

Monday night, January 21, 2002, we reduced, through retirement and resignation, 3.6 teaching positions and will reduce an additional 5.0 later this month or approximately 22% of our staff. Under House Bill 2605 we would have received approximately \$85,000 which would have allowed us to maintain at least two of the positions and keep our early elementary class enrollment under 18 students. We are anticipating another

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Attachment # 51

round of reduction next year and again, House Bill 2605 would assist us greatly with this loss of students and funding.

I know that in the long and difficult session ahead, faced with declining state revenue and increased state requirements, you will have to look at many different funding sources and bills. I believe that House Bill 2605 is one that requires careful consideration. While I can't speak for the other districts, I do know that it will assist those with declining enrollment which account for the majority of the school districts in the state. It would certainly be of great assistance to USD 318 as we face the difficult task of adjusting to declining enrollment.

Thank you.

Enclosure

ATWOOD USD #318

YEAR	ENROLLMENT	TEACHER FTE
1994-95	466.0	51.8
1995-96	468.0	50.3
1996-97	456.5	46.9
1997-98	440.6	46.9
1998-99	434.5	45.8
1999-00	394.5	44.0
2000-01	383.0	42.0
2001-02	352.5	40.05
2002-03	322.5 Projected	31.45

Statement before the Kansas
House of Representatives
Education Committee

Representatives Faber and Gatewood
HB #2605

Robert Scheib

January 23, 2002

House Education Committee

Date: 1/23/02

Attachment # 6-1

Background

The WaKeeney Trego County Schools USD 208 is a pre-k through 12 county-wide district with a single pre-k to 8th attendance center and a 9-12 comprehensive high school. I am submitting for the record information on the devastating impact of declining student enrollment and the resulting loss of funding.

The purpose of strong county-wide school districts is obvious. County-wide districts have no where to go for consolidation due to their size. The impact is further reaching than in a county that supports multiple districts.

Declining Enrollment Weighting

Since the 1994-95 school year USD 208 Trego County has declined from 645 FTE students to 452 currently. The rate of decline has been more devastating recently as we fell from 499 last year to 452 this year and expect to fall to 420 or fewer next year. Using the formula in the bill, 193 students have been lost since 1994. When multiplied by the 0.2 factor a weighting of 38.6 is arrived. At the current \$3,870 bsapp this results in \$149,382 that would help to offset the \$260,411 that is expected as the sole result of declining student enrollment. The remaining \$111,029 reduction in budget authority could be found through a combination of reduction of expenses and local effort.

If this bill does not pass, USD 208 would be forced to cut \$260,411 from next years budget. If the governors original budget passes that number rises to a staggering \$386,196 or 11.3% of the budget and student programs.

Increasing the LOB is not the Answer

The LOB State Aid for Trego County Schools last year was \$8,480 while the LOB State Aid for the Quinter (Eastern Gove County) Schools USD 293 was \$181,796. This is according to data from General State Aid for Kansas USDs 2000-2001 published this month from KSDE. Relying on LOB local property tax increases places an unfair and disproportionate burden on the

Trego County agricultural residents when compared to an agricultural district just 20 miles away with a high percentage of state aid.

Declining Enrollment Weighting is the Answer

Support for declining enrollment is a state responsibility. The majority of Trego County graduates do not return to their home county after graduation. The quality education that they receive from a teaching staff of 52 of which 25 hold a masters degree prepares them for higher education and to enter the work force in Overland Park , Wichita and beyond.

The key question is would Declining Enrollment Weighting become a permanent part of the USD 208 budget needs. The answer is no. Over the next two years the rate of decline is expected to taper off as the average class size stabilizes. This is a key point for this bill as most of the districts in Kansas are not experiencing the 9% rate of decline that WaKeeney currently is experiencing. The districts that are experiencing such rates are in need of more of a safety net than the current 3-year average provides.

State Budget Issue

With a majority of Kansas schools experiencing declining enrollment, this bill would hold harmless districts that would actually need assistance as demonstrated annually. This bill will not force additional disproportionate increases in property taxes for those agricultural communities hardest hit.

Need for Change

The current school funding formula has no provision for districts facing massive multi-year declining enrollment. The 3-year average is not enough to maintain continuity of instructional delivery. Neighboring districts are able to use non-local funds with their LOB funding to maintain programs that attract students thus compounding the situation for those already in distress.

The proposed law change would authorize the addition of a new weighting for declining enrollment that should have fluctuating need through out the state annually. The result would be stability of local property tax rates in those districts that are forced to budget local tax increases to maintain high standards.

References

1. Kansas State Department of Education, January 2002,. General State Aid for Kansas USDs 2000-2001. pp. 6,13.

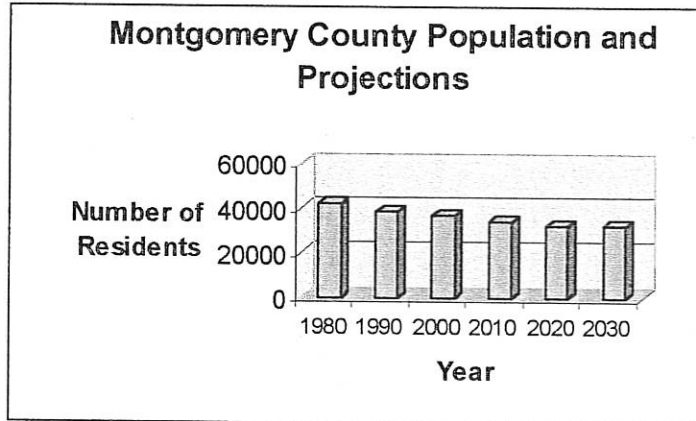
House Education Committee

January 23, 2002

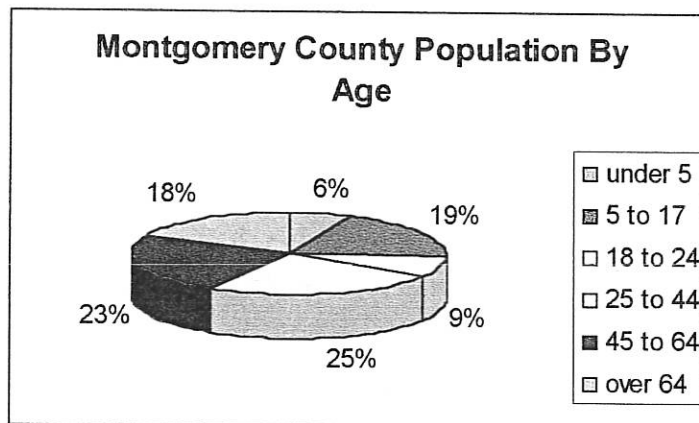
I. Background Information

A. **Montgomery County** is located in Southeast Kansas bordering Oklahoma. There are four major cities in our county – Coffeyville, Caney, Independence, and Cherryvale.

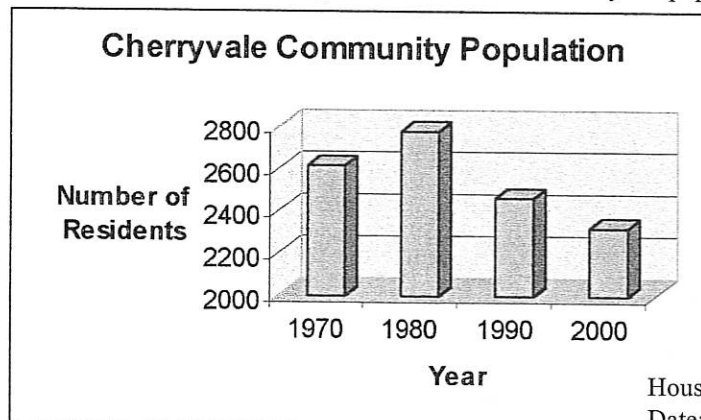
1. **Population** – as evidenced by the graph below the population in Montgomery County has steadily declined since 1980.



2. **Population by Age Group** – as evidenced by the graph below over 40% of the people in our county are over the age of 45.



- B. **Cherryvale** – is home to approximately 2,460 people with few locally owned businesses, a high rate of unemployment (4.4% in 1999 compared to the state average of 3.0%), with almost 27% of the people without either a high school diploma or a GED, and a median income well below the state average. Cherryvale is a community in decline as evidenced by the population graph below.

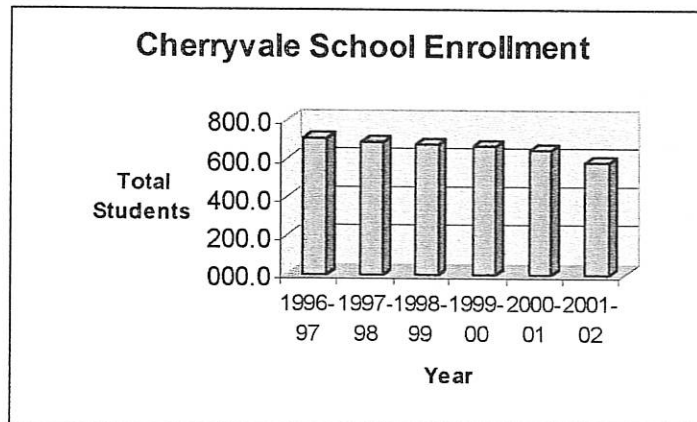


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- C. **USD #447** – covers only 92 square miles and is the major employer in the community with 99 employees and 600 plus students in grades K through 12. We currently have 60.1% of our students identified as at-risk, 25.1% of our students must be bussed every day to and from school, and 7.9% of our students have been identified as Special Education. Our district property valuation has steadily dropped over the past ten years and we receive approximately 95% of our operating funds from the state. Our student population has steadily declined over the past six years as evidenced by the graph below.



II. What Does This Information Mean?

- Typical school district in Kansas.
- About 600 students – average size school district in Kansas.
- Two attendance centers K-6 and 7-12.
- Closed a school four years ago.
- Well maintained facilities.
- Below the state average in numbers of students per computer.
- Students score well on the state assessments.
- High parental involvement.
- Dedicated, hard working staff.
- Low dropout rate (0.6% vs the state average of 3.0%).
- High graduation rate (88.0% vs the state average of 85.2%).
- Good stewards of the taxpayers money.
- We were not named in the state boundary study.
- If you want to know the definition of a “free and appropriate public education” – come to Cherryvale, Kansas. We’ll show it to you – you can experience it first hand in our classrooms.

III. We Are Not Without Our Problems!

- We have lost 64 students from the 2000-2001 school year to the 2001-2002 school year. That is a 10% drop in one year,
- We must cut approximately \$415,000 from next year’s budget based on a Base State Aid Per Pupil BSAPP of \$3,870. That is assuming you do not give school districts any additional funding.
- Our General Fund has steadily decreased over the last three years, as our LOB has had to increase to offset the loss in enrollment.
- Our LOB is set at the state average of 15.08% - we do not have a Continuous and Permanent LOB Resolution in our school district. Our seven-elected school board members have decided we will not raise local taxes any higher. We are already the highest in our county.

IV. Enclosures

- Two pages of budget cuts we are considering at our February 25th Special Board of Education meeting. We will eliminate somewhere between 10 and 15 employees, cut programs and

extracurricular activities, and eliminate some basic services that many people now take for granted.

- Letter from our Cherryvale Teacher's Association President on how the classrooms are being effected.
- Articles from our local countywide newspaper – I think it is important for you to see what your constituents are saying back home.

V. **Why Am I Here?**

- Each year we prepare our budgets based on the Base Student Aid Per Pupil figure you agree upon. Our budgets must be published in the newspapers and approved during our August Board meetings. We plan the school year based on the monies outlined in our budgets.
- We cannot borrow money if we run out of money. We are bound by the Kansas Cash Basis Law. If we do not manage our money well or you do not uphold your end of the arrangement then we would have to send students and staff home before the end of the school year.
- I'm not here to plead for more money for my school district. I'm here to say that you will create chaos if you do not fully fund the Base Student Aid Per Pupil amount of \$3,870 that you have already promised.
- If you need some suggestions – pass a one-cent sales tax increase, increase the state income tax, or change the 7.5% carryover statute.

I will close by saying that we are doing the job the people of Kansas have asked us to do. I believe this to be true because of our students' performance on the mandated state assessments you have endorsed. We, you, must have the will to invest in the future of our state (our children) and make them our number one priority. If we, you, are not willing to do that - then I would ask you two questions: "What are we investing in?" and "Why is that more important than our, my, children?"

Budget Cost Overview

List of Possible Cuts for 2002-2003

	<u>Approximate Cost Savings</u>
Reschedule the Retro-Fit Payment	\$ 65,000
Convert to a Four-Day School Schedule	\$ 70,000
Freeze Administrative/Classified Salaries for 2002-2003	\$ 20,000
Eliminate National Conferences for Administrators for 2002-2003	\$ 2,000
Move Central Office to MS/HS	\$ 4,000
Reduce Teaching Staff by 4 teachers (\$32,000 per teacher)	\$ 128,000
Eliminate both Elementary Aide Positions	\$ 24,000
Eliminate Computer Lab Aides	\$ 33,000
Cut Aide Positions to 6 ½ hour days	\$ 1,500
Contract with Montgomery County Health Department	\$ 22,000
Transfer MS/HS At-Risk Duties to the Academy Teacher	\$ 14,000
Eliminate 1 MS/HS Secretary	\$ 19,000
Eliminate 1 Lincoln-Central Secretary	\$ 16,000
Eliminate 1 Central Office Secretary	\$ 22,000
Reduce 1 Central Office Secretary to half time	\$ 11,000
Eliminate Director of Curriculum & Instruction Position	\$ 67,000
Eliminate Elementary Counselor	\$ 44,000
Eliminate both Library Aides	\$ 26,000

Convert to ½ Day Kindergarten	\$ 30,000
Drop the Ag. and FFA Program	\$ 35,000
Eliminate FFA National Convention Trip to Louisville	\$ 2,000
Eliminate Summer Weights Program	\$ 1,200
Drop the Family & Consumer Science Program	\$ 43,000
Drop the Art Program	\$ 50,000
Drop the Band/Music Department	\$ 70,000
Drop Drafting/CAD/Woods Program	\$ 17,000
Drop Scholars/Quiz Bowl	\$ 2,500
Drop PomPom Squad	\$ 1,500
Drop Debate/Forensics	\$ 8,000
Drop Cheerleaders	\$ 6,000
Drop Baseball/Softball Program	\$ 14,500
Drop Wrestling Program	\$ 11,000
Eliminate Wrestling Trip to Halstead	\$ 500
Drop Volleyball Program	\$ 14,500
Drop Basketball Program	\$ 28,000
Drop Track Program	\$ 20,000
Drop Football Program	\$ 21,000
Drop the Golf Program	\$ 3,500

*The Board of Education arrived at a figure that will have to be cut from the budget during their December 10 meeting. That figure was \$415,000. The particular budget cuts will be determined during the February Board meeting and will take effect during the 2002-2003 school year.

January 23, 2002

To Whom It May Concern:

When Dr. Jay Smith, our superintendent of schools, announced a drop of ten percent in our student population last September our staff was shocked.

Initially, there were some who could see the bright side to fewer students—lower class sizes. We have always been very proud that the Cherryvale Board of Education made the effort to keep elementary class sizes small in number, often lower than fifteen students per class.

But, reality has set in. Most of our staff members agree that we cannot continue to offer such small classes to our community. Tough decisions have been or will be made, and those decisions have forced us to change the way we work.

Some examples of the impact of budget cuts this year: science classes cannot replace chemicals, specimens, and equipment; field trips cancelled; reduced art/craft supplies; reduction of staff attendance at workshops; and elimination of staff.

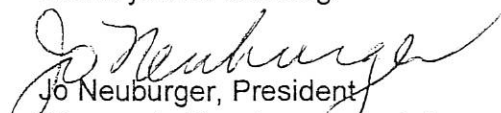
USD #447 has been at the leading edge of technology in our area of the state. All of our classrooms have 3-7 computers and are connected to the Internet. Our students have access to tech labs that schools around us covet. Unfortunately, we cannot keep up with the necessary improvements that the technology world requires. Maintaining what we have or upgrading our system has become a nightmare to fund.

Some teachers have said that each time they use supplies in their classes, they wonder if the materials will be replaced for next year's activities. One teacher said that she is considering starting her own personal savings account to help her buy items she knows she will need next year.

Dr. Smith asked all staff members to make recommendations on ways that we could reduce our costs for next year. The middle/high school staff decided to act positively and set up three committees: one to explore ways to attract students to Cherryvale; another to evaluate the student schedule to meet the community's needs; and finally one to recommend actual dollar cuts. While these committees had to recommend hard decisions that challenged the status quo, the staff has pulled together on behalf of their students.

The quality of the teaching in Cherryvale has improved over the years and will continue to do so. But, worrying about program funding, possible loss of employment, and expenditure of personal monies to buy classroom supplies all add to an already stressful job. I hope that the Kansas Legislature will reflect on the impact of this budget crisis on Cherryvale when it considers funding for next year. We must have help.

Thank you for listening.


Jo Neuburger, President
Cherryvale Teachers Association

Ominous warnings

Cherryvale school patrons should pay attention to upcoming discussions bout budget cuts

Cherryvale school patrons should take time to read Superintendent Jay Smith's column on page 19 of this week's *Montgomery County Chronicle*.

Smith gives ominous warnings of difficult decisions that have to be made by the USD 447 Board of Education and school faculty in the next several months. Because of the continued decrease in enrollment in local schools, the Cherryvale district receives less money from the State of Kansas for school assistance. And, whenever there is less money, there has to be a reduction in staff, programs and services provided to local students. There's no two ways about it.

Smith makes it painfully clear to local students and faculty: all non-mandated programs currently provided by the district could be placed on the list for the budget axe. That means the non-essential programs that we've come to respect and enjoy — from sports to FFA to choir — could be considered for some kind of reduction or elimination beginning in the next school year (2002-03).

Also, some faculty jobs are being

discussed for cuts, either through elimination, merging or attrition.

Cherryvale's shining star has always been its school system, and we're confident that it will continue to maintain high academic and extra-curricular achievement . . . regardless of the size and scope of its programs and activities.

But because of the way schools are financed across the state of Kansas, smaller schools with declining enrollments have to face harsh reality at some point. They can no longer afford to fund some the staffs and programs at the same level as have been in past years . . . especially at a time when the district doesn't have the enrollment trend — and ultimately the state money — to justify them.

That's why the next several months will be difficult times for Smith and the school board.

By all means, pay attention to their discussions and provide your input. But be ready to sacrifice the sacred cows when the budget axe needs sharpened . . . and ample backbone to swing it. — Andy Taylor

Smith: loss of enrollment in USD 447 means budget cuts

BY DR. JAY L. SMITH, superintendent
USD 447-Cherryvale

The next couple of months could prove to be very stressful for the staff, administrators, and Board of Education members of the Cherryvale school district. There are some tough decisions that will have to be made regarding the district budget for the 2002-2003 school year. These decisions will have to be made because there are simply not as many students attending school in our district anymore.

Just five years ago there were well over 700 students attending the Cherryvale school district. However, the number of students has steadily declined to 606 for this school year and is projected to be about 570 next year. There are many reasons for this decline; each year for the last several years the graduating class has been larger than the incoming kindergarten class, parents moving away because of a loss of jobs, or students who live in our district either being homeschooled or attending school in another district. The school district was hit particularly hard this school year because we lost 64 students in one

year. This equates to a 10 percent loss in one year.

Albert Einstein once said, "The significant problems we face cannot be solved by the same level of thinking that created them." Simply put, we are facing some major changes in our school district and we have to look at other ways to solve them. At the December 10 board of education meeting, board members will work through the budget forms and together we will arrive at an amount that will have to be cut from the budget. Then, at the January 14 board of education meeting, the cuts will be made.

Both staff members and board of education members have been given a cost analysis of every non-state mandated program offered in our school district. If a program or extracurricular activity is not state-mandated then it is included in the list for possible cuts. This would include all sporting events — from wrestling to football — and such programs as art and FFA. Also, on the list is the cutting of some teaching positions, some aide positions, and the contracting out of some services currently being provided by

school personnel.

The middle-high school teaching staff was divided up into four committees to look at possible cuts and/or to examine other ways of doing things. One of the very interesting suggestions has been the converting from a traditional five-day school week to a four-day school week. This simple conversion would save the district one-fifth the cost of transportation and food service, and would result in lower utility bills. These committees will be presenting their ideas to the board of education in January.

As citizens of our community, I would urge you to talk to your board of education members about the upcoming budget cuts and what they will mean to our school district. Your seven board members will have to make some tough decisions and they need all of our support.

It is at times like this that I am reminded of the words of John Foster Dulles, "The measure of success is not whether you have a tough problem to deal with, but whether it's the same problem you had last year."

USD 447 board will have to cut \$320,000 from district budget

Lower enrollment yields fewer state dollars, thereby requiring school board to make decisions on staff, programs

BY ANDY TAYLOR
Montgomery County Chronicle

CHERRYVALE —USD 447 Board of Education members on Monday saw the size and scope of the budget cuts they'll have to make in the coming months.

And, from the expressions on the board members' faces, it appears that the budget axe will require lots of muscle for swinging.

School board members were told that they will have to make a total of \$320,000 in reductions to the district's budget. Although the cuts will take place during the 2002-03 school year, the board will have to announce those cuts as soon as February.

Board members are already in the process of examining possible programs, courses and staffing for elimination or reduction. Several school faculty committees are also involved in providing suggestions for cuts, reduction or

elimination.

Board members are expected to focus more on specific cuts in January and announce the final cuts at the board's February meeting.

Lance Carter, board member, said he had written letters to each faculty member seeking ideas for budgetary reductions. So far, some of the suggestions returned to him have been "brutally honest."

"Some of the responses have been good ones, things I would not have thought of," he said. "But some of the other responses are brutally honest, but that's okay."

What is the reason for the budget cuts? Superintendent Jay Smith said the cuts were warranted because of declining enrollment across the district. He said the Cherryvale school district had seen a continued trend for fewer students due to a variety of reasons, including economics and family situations.

Public schools in Kansas receive the bulk of their budget money from the State of Kansas, which bases the district financial allotments on enrollment. If a

• continued on back page

7-10

Cherryvale school board to cut \$320,000 from budget

(continued from page one)

school district experiences enrollment declines, it receives fewer state dollars.

That has been the trend for about four or five years now, Smith said, and the net result of declining enrollment is a cut in the district's programs and courses.

The actual amount of budget cuts is \$385,000, but because the district's payback on its Lincoln-Central Elementary School remodeling project went from two monthly payments to one monthly payment, the district was able to save \$65,000. That means the net total of budget cuts is \$320,000.

Smith also said about two-thirds of school districts in Kansas were in similar situations as Cherryvale because they, too, are experiencing enrollment declines.

"I'm sure we're not the only ones having these discussions tonight," he said.

During the 2001-02 school year, the Cherryvale school district saw an enrollment decline of more than 60 students, which is about 10 percent of the total student body. Ironically, the projected amount of budget cuts is roughly 10 percent of the school district's budget, Smith said.

Although the board did not specifically mention any of the areas or programs that could be on the budget chopping block, the board did hear some of the things being done to prepare it for those decisions.

Committees formed. George Owens, Cherryvale Middle-High School principal, said several faculty committees had been created to examine budget cuts. One committee was solely devoted to ex-

amining actual expenditures while a second committee was looking at the "virtual school" concept, which allows non-enrolled districts, such as home-schooled students, to take classes through USD 447.

A third committee was researching the issue of instituting a four-day school week. The committee already was examining school districts in Arkansas, Colorado

and Kansas that have four-day school weeks to see the merits of such calendars.

The fourth committee was researching the style of class schedules — block schedule versus seven-period day — if a four-day school week were adopted.

Don't create more problems. Board president Ray Stice advised

fellow board members to spend the next several weeks thoroughly researching and contemplating the programs, courses and staffing that might have to be eliminated. He said the budget cuts should not lead to other problems, such as further spending of district money.

"We don't want to trade one problem for another," he said. "It's not just cutting in various places, but cutting in places that won't create additional expenditures or problems down the line."

Superintendent Smith said he had been approached by several faculty and school patrons about potential cuts. He admitted that eliminating teachers who are Cherryvale residents with students in local schools might be counter-productive because eliminating those teachers would also eliminate students from the district. Therefore, the district would lose enrollment money.

He also said he had been approached about cutting vocational courses at the middle-high school. However, because the district receives state money for vocational training and vocational education, elimination of that program would also jeopardize those monies received by the state of Kansas.

Reverse enrollment trend. Board member David Cavaness said that beside the board making budget cuts, board members should also examine ways to attract students.

"I'd like to find out why we have dropped in enrollment," he said. "Besides economics, are we losing students due to home schooling or dropouts?"

Board member Lance Carter said a recent survey of families who left USD 447 revealed only one family that left due to educational concerns. The remainder left because of job status of parents and family situations.

"We have to face it: we're in an economically depressed area right now," said Carter. "It'll probably get worse before it will get better."

**"We don't want to trade one problem for another."
— Ray Stice, board president**

Cuts in education

Cherryvale now faces a harsh reality: job losses at local schools is inevitable

To Cherryvale school patrons and school board members who think that cutting \$320,000 from the district's budget can be done without affecting staffing, think again.

The bottom line is that reducing the district's budget by \$320,000 will require some sort of job reductions . . . limited, we hope.

In past years, school districts, like any other governmental body, have had to make cutbacks through reductions in "lesser priority" things, such as reducing bus routes or tightening the spending on supplies and streamlined utilities.

But last week's news that the Cherryvale school board has to cut \$320,000 — roughly 10 percent of the total district's budget — now puts the school board in a totally different realm of budgeting . . . where the simple counting of paper clips won't suffice.

As a rule of thumb, about 75 percent of most governmental budgets is consumed by labor wages and benefits. That quells the commonly-held belief that school districts spend extravagantly on all sorts of sports and classroom gadgetry. The bulk of taxpayer money isn't for bells and whistles but to pay administrators, teachers and support staff and to keep them insured for protection.

In a district that employs about 100 people, it's little wonder that the school district's \$3.4 million budget is con-

sumed with paychecks and insurance benefits.

On the other hand, it's impressive to think that USD 447 hires has a payroll of about 100 workers for just \$3.4 million. The school district is among the community's largest employers, and there's little chance that a comparable industry could have as many workers for that size of payroll.

The harsh reality, though, is that Cherryvale schools has suffered a decline in student enrollment in the past five years and that employment levels have not mirrored those student numbers. Can USD 447 continue to support its existing level of employment . . . even when the enrollment numbers and the state's financial assistance have fallen? Barring a dramatic infusion of enrollment in local schools next year, there's no hope that the school district's current budget and state assistance can support its current payroll.

That's why some kind of job reduction is sadly inevitable.

Our thoughts are with the Cherryvale school board members as they make excruciating decisions in the next eight weeks. Our greatest hope is that Cherryvale faculty and school patrons will realize that wherever the budget axe falls, it will fall because it has to . . . not because of personalities of the people involved.

— Andy Taylor

Middle-high school students keep busy pace at semester's finale

BY GEORGE OWENS, principal
Cherryvale Middle-High School

It's Christmas break now at 7th and Carson streets, and it comes at the end of a busy month.

Cherryvale's FFA Chapter hosted a dairy products and poultry event here on the Dec. 6. Cherryvale's "A" team dairy placed second with Sarah Benn winning third high individual, Aimee Doncouse, fourth; Katie Blaes, fifth; and Melissa McCoy, seventh. In poultry the "A" team placed tenth and "B" team placing fifth. Joe Blaes placed tenth high individual.

Scholar's Bowl traveled to Field Kindley High School in Coffeyville to attend a 12-team event. The team of Hollie Brown, Justin Lamort, Clint Blaes, and Johnathan Long placed first. They did a great job in each match!

If you missed the middle-high school music department winter concert, you cheated yourself out of a treat. On Friday evening, Dec. 7, both band and choir performed. There were joint numbers performed by the middle-high choir; they were accompanied by piano, guitar and performed *a cappella*. The band performed traditional Christmas numbers. The highlight of the evening was the total middle-high music department performing "America." It was great! Just another example why it is good to be a part of the middle-high family!

As many of you know USD 447 is facing some tough decisions for the coming fiscal year. Dr. Smith and several board members have sought input from the staff concerning budget cuts for the next year. To help form some insightful suggestions the staff has been working together on one of

three committees. The purpose of each committee is two fold, first, develop ideas that enhance our educational process and, second, to provide this enhanced educational opportunity as cost effectively as possible.

The committees are Alternative Scheduling, which looked at the school week to see if there was any alternative that would educationally benefit our students and save money. This committee also looked at the class schedule that might be best for any alteration in the school week.

This committee explored the idea of a four-day school week. There are several school districts in the state of Kansas that use a four-day week. These districts went to a four-day week for cost savings reasons, which is not our primary motivation. They discovered that there were important educational benefits that accompanied the reduction in attendance days.

Districts report an increase in student test scores. One district reported that they had the lowest test scores in their area and were in danger of losing accreditation.

After implementing the four-day week they reported a dramatic improvement in test scores. Not all districts report such results but no district has seen a decline in test scores.

Districts that are on the four-day week schedule report these benefits;

- A decrease in absenteeism.
- Student morale increases.
- Students appear to be more mentally ready to learn.
- A decrease in behavioral problems.

Teachers report having more quality contact time with students.

Of course there are monetary gains also. In preliminary figuring it is estimated that USD 447 could realize a saving of \$57,565.36 the first year. All this is possible by adding one hour a day to the schedule and eliminating one day a week. The district would still meet state required contact hours just by adding one hour a day.

The other component of this committee the daily schedule committee, researched what these districts are doing each day. It was discovered that many options exist out there. Some districts use an eight block others an intensive four block while other use a six or seven period day. If the district would make a change to the four-day week a decision would be made based on what is best edu-

cationally for our districts students.

The other two committees are the virtual school and cost efficiency. The motivation behind the virtual school idea is to offer an on line method of instruction for students that have dropped out or involved in home school education. It is our desire to help provide educational opportunities to all patrons of our district. In the process we will be able to generate additional student contact hours for our district.

The cost efficiency committee has looked at several ways that we might be able to save money. They have considered the reduction of staff to saving on pens, pencils and paper clips.

Each of these committees will present their findings to the board on the 14th of January. I encourage you as parent, grandparent or patron to attend. Education of the next generation of Americans is the most important task that we have been given. It takes all of us working together cooperatively to provide the best possible education. If you have any questions contact us out here at 7th and Carson, we will do our best to give you an answer.

Each of us at Cherryvale Middle-High School wishes the best to each and everyone. We hope that your new year is filled with peace and joy.

7-12

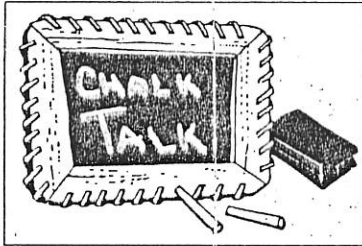
School board to hear budget cut proposals at Monday meeting

BY DR. JAY L. SMITH, superintendent
USD 447-Cherryvale

At a budget workshop meeting on Dec. 10, the Cherryvale Board of Education worked through the state forms and determined that \$385,000 will have to be cut from the 2002-2003 budget. This represents a cut of 10 percent from the overall district operating budget.

In my last "Chalk Talk" article in December, I talked about how our student population has declined over the past sev-

eral years from over 700 students in 1996 to as few as 570 in 2002. I discussed some of the reasons for this decline in student enrollment. We have been graduating more seniors than incoming kindergartners, we have had many families move away because of economic reasons, and we have lost students to either being homeschooled or to attending school in other nearby districts.



Roof repair at Lincoln-Central. On another note, at the Dec. 10 meeting the Cherryvale school board accepted a School Renovation/Repair Grant for \$100,000. These types of grants are designed to help poorer school districts afford repairs that they might not be able to afford otherwise. As many of our patrons

know, the "barrel roof" over the auditorium at Lincoln-Central Elementary has been leaking and caused considerable water damage.

This roof is composed of rolled tar and was put on about 13 years ago. The normal life expectancy for a roof like this is about 10 years. One of the decisions the school board will have to make is whether to go back with another tar roof or to go with a metal roof. Most metal roofs have a 20-year warranty. Currently, the district has metal roofs on the central office, the high school shop area, and over the high school gym.

All these factors have contributed to the need for our school district to take a long look at how we have been operating. Without the same numbers of students some programs and activities will have to be reduced or eliminated.

We know that we can delay our yearly payments to RetroFit. This is the company who made all the renovations to Lincoln-Central Elementary School in 1997. This will save the district about \$65,000. This means that \$320,000 is the final amount that will have to be cut from the budget. Can that amount be cut without eliminating some staff positions? Probably not. Can that amount be cut without eliminating some extracurricular activities? Probably not.

At the Jan. 14 meeting, the USD 447 Board of Education will listen to the presentations from the various committees who are looking at possible cuts and/or examining other ways to save the district money. At the Feb. 11 board meeting, the time will come for those cuts to be made.

Again, I urge the citizens of Cherryvale to discuss these upcoming budget cuts with your board of education members. Anytime \$320,000 has to be cut from a budget some tough choices have to be made.

One consideration will have to be the outside appearance of the building. The "barrel roof" over the auditorium has been a Cherryvale fixture for a long time. A new metal roof will change the appearance of the building. However, the metal roof will last much longer and will allow us to insulate the roof, which should cut down on utility costs. This decision on the roof will need to be made at the January Board of Education meeting in order for the work to be completed this summer.

Yes, I understand that my "Chalk Talk" article this month deals with both cutting money and spending money. We have to cut money because we will not be receiving as much state aid in 2002-2003. We are only able to afford the new roof because we successfully pursued and were awarded the \$100,000 grant. Otherwise, who knows what we would have been able to do about the roof at Lincoln-Central?

Budget cuts presented

Will the \$385,000 in proposed budget cuts be enough?

Cherryvale board members say legislature's lack of school funding may require deeper cuts

BY ANDY TAYLOR

Montgomery County Chronicle

CHERRYVALE — After hearing two hours of proposals calling for some \$385,000 in various program cuts and cost-savings measures, the Cherryvale school board still may have to sharpen its budget axe even more.

Following presentations by four faculty committees, school board member Lance Carter said the \$385,000 budget cut figure decided by the school board in December might be too low. That's because the Kansas Legislature is showing strong signs of either cutting education spending this year, or, at the least, maintaining it at the same level. A state budget shortfall of more than \$426 million is forcing state legislators to slash a myriad of state programs, including education, Carter said.

"From everything I've been told, this is the worst financial crisis facing Kansas schools since World War II," he said.

Carter suggested that the board increase the amount of budget cuts another \$30,000, making the total \$415,000.

School board members will make a firm decision on those budget cuts at a special meeting on Monday, Feb. 25.

School board president Ray Stice said he doubted if the state legislature would follow through with its commitment to increasing the amount of education spend-



Cherryvale school board president Ray Stice, second from left, talks to board member Lance Carter prior to the start of Monday's USD 447 Board of Education meeting, which was viewed by more than 50 people, most of whom were school faculty. (Photo by Andy Taylor)

ing this year.

"I'm not a betting man, but I would bet that the state legislature would either cut education spending or keep it at a zero increase," he said.

At Monday's meeting, board members listened intently as four USD 447 faculty committees made presentations dealing with proposals for cutting faculty and school services, creating cost-savings efficiencies, and instituting programs that would attract new students.

Although the committees proposed everything from instituting a four-day school week to cutting as many as 10 employees, the faculty committee members admitted to being concerned about the scope and magnitude of the impending budget cuts.

"We recognize that we cannot continue operating the way we are and that change is inevitable," said Jo Neuberger, who was a member of the faculty's Economic Efficiency Committee. "Yet, we believe that cutting programs equals the loss of students. For example, we have lost a great deal of our foreign language and business classes at the high school. That has hurt us in the long run.

"Our goal is to make recommendations with very few programs cut."

Francee Lickteig, a Lincoln-Central faculty member who was on the elementary faculty committee, advised the board to not make budget cuts that would impact the student-to-teacher ratio.

"The benefit of small-class sizes is that

• continued on page 15

"From everything I've been told, this is the worst financial crisis facing Kansas schools since World War II."

— Lance Carter,
school board member

7-14

Cherryvale school board hears budget cuts proposals

(continued from page one)

it leads to better identification of student needs, improved behavior and reduced retention," she said. "The teacher spends more time on instruction instead of discipline."

"All of these improvements are matched by increased student achievements. That's what we've been looking for, and that's what we've been seeing."

Lickteig said all faculty mem-

bers could do more to "tighten their belts," however she said that such belt tightening could lead to "a higher cost to pay."

Bob Blackard, Cherryvale High School technology instructor, was a member of a committee that investigated ways to attract new students, which ultimately would help bring in additional state dollars to the local district.

"From the beginning, I was

told that we needed to look at cutting this and that," he said. "But I think we need to also take a look at finding ways to attract students."

"There are more than a handful of students who have dropped out of schools and still live in the Cherryvale area. If we can get them back into our district, that would be positive money back into the district."

Janet Bernd, Lincoln-Central

Title I coordinator, said that attracting new students through a "virtual school," much like a correspondence class, not only would help the local district but also help those students, especially home-schooled students, attain a high school diploma.

According to information provided by the Kansas Department of Education, there were 13 registered home schools in the Cherryvale area and as many as 154 home schools in Montgomery County, Bernd said.

"There are multiple reasons why they are not in our school system," she said of the home-school students. "In a 'virtual'

classroom, we can give those students a chance to meet the necessary course requirements and provide them the curriculum and support toward attaining a diploma in the state of Kansas."

Monday's school board meeting was viewed by about 50 patrons, most of whom were faculty members.

Board members admitted that they'll be facing difficult choices in the coming weeks. The board will meet again on Monday, Feb. 11 for the regular monthly meeting. The board will also meet on Monday, Feb. 25 for a special meeting to discuss and vote on the proposed budget cuts.

7-15

The education crisis

While legislators try to fund education, school patrons must answer painful questions

Somber faces greeted Gov. Bill Graves as he stood before a joint session of the Kansas Legislature on Monday to deliver his State of the State address.

The problem wasn't his persona, nor his record as chief administrator of state government — he rates an A-plus in both columns.

The issue which caused brows to curl was education, and the way it is financed.

Graves had to face the music which school officials have been hearing for many months — funding for education is sagging statewide. Per pupil state aid to local districts will be lower than presenting funding levels. And there a new buzz phrase started making its rounds at the Statehouse: *Non essential programs*.

What might surprise residents of rural communities such as Caney, Sedan and Cherryvale is that they currently get a good deal on education taxes. These districts actually get more back from the state than their residents pay. That was part of the school finance bill that the legislature passed 10 years ago, giving a measure of equalization to students who live in various socioeconomic districts around the state. It should surprise no one that our area of Kansas is in the bottom quadrant when it comes to family incomes and booming industrial areas.

Now comes pay day.

The governor and the legislature are driving home a point that all school boards should swallow quite slowly and deliberately, because it will not be going away: *Money in state education coffers is lacking. Funds will be cut. Make your choices on which programs you want to keep, and which ones can be cut.*

For the past 40 years, schools in Kansas have flourished with building projects, sports programs, extracurricular activities for male and female participants, and raises for educators. Kansas fares quite well when compared to neighboring Oklahoma, Missouri or Arkansas. And, even with the Governor's furled brow and his budget axe in hand, there is no need for any Kansas student to grow up ill-prepared for the world they are soon to enter. The trick will be for local parents, school boards, teachers, admin-

istrators and taxpayers to make choices. That's something they haven't had to do in the past four decades because we've pretty well had it all.

Kansas educators have been so impressive in recent years with the Quality Performance Accreditation (QPA) program they organized and continue to maintain, even today. It is a creative way to looking at goals in education, reassessing educational methods, and striving for higher standards.

That same creative urge should now be applied to what board members are having to scrutinize: Non-essential educational programs. And, rather than list what is non-essential, let's list what is unquestionably essential: Reading, writing, mathematics, science, and even philosophy and art. These are rudimentary elements of a good education.

Now comes the controversial part. What about the lessons learned on the football field, on a basketball court, in an FFA judging event, or a music concert? Can a student exist in the adult world without exposure to such programs? Probably so. But the student will suffer, because within such programs are the passion, competition and pride building elements which keep classroom routines from becoming tedious.

With that in mind, local boards will need to carefully carve their budgets to bring the most important programs to the top of their priority lists. Then they will have the unpopular job of deciding which non-essential programs will be reduced in funding or eliminated altogether. They will have no choice but to follow this regimen, and it will come with great pain.

Entire schools are being considered for closing in this state, and everyone knows what a drastic effect school closings have on local communities. Therefore it will stretch everyone's creative abilities, and unparalleled cooperation, to forge a local program of education that is affordable, reasonable, efficient ... and yes, fun.

Kansans are capable of the challenge. The question is: Are we willing to tackle it?

— Rudy Taylor

Montgomery County Chronicle
January 16, 2002

7-16

House Education Committee
HB 2605 – Declining Enrollment

I regret not being able to meet with you personally but a prior commitment prevents me from being present. Hopefully the following background and budget information is helpful.

Crest USD 479 is a 1A district in the southeastern part of the state, specifically about the southern one-third of Anderson county. In the last ten years our September 20 FTE has gone from 343.5 to the present 245 or a decrease in our enrollment of about 29%. Since September 20, 1994 we have lost 61.5 FTE or 20% of our enrollment. Our General Fund budget has decreased over that time from \$1,922,400 to \$1,898,778 (this figure does not include Special Education money that was included this year). This represents a 1.23% decrease in our budget. During the same time period teacher salaries have increased from \$845,324 to \$923,056 or a 9.2% increase. This is just one of the fixed costs that have increased.

Some of the direct effects of the declining enrollment situation are that we had to purchase a bus last year out of Capital Outlay for the first time. In addition, some maintenance items will be delayed as will the purchase of such items like desks, chairs and new textbooks. We are now purchasing used computers from State Surplus and fees for Driver's Education and school breakfast and lunches have been increased substantially. Spirit buses to ball games have been discontinued, golf practice has been curtailed, classroom budgets have been decreased and four certified staff positions have been eliminated.

The ability to use the three year average for our enrollment has helped greatly. But now that the average is the same as our current September 20 count we will be looking at student program cuts. In addition we will also need a major Local Option Budget increase if something such as HB 2605 is not passed and/or State Aid increased.

Larry Wittmer
Superintendent of Schools

House Education Committee

Date: 1/23/02

Attachment # 8



Craig Grant Testimony
House Education Committee
Wednesday, January 23, 2002

Thank you, Mr. Chairman. I am Craig Grant and I represent Kansas NEA. I appreciate this opportunity to visit with the House Education Committee about **HB 2605**.

For the last few years we, along with other members of the school finance coalition, have talked about the trouble districts are having with declining enrollment. With a census-based formula, this was something that we might have anticipated; however, I do not believe that anyone thought the problem would be this serious. Two-thirds of our districts are dealing with declining enrollment.

We have recommended some policy changes to help alleviate the crunch of declining enrollment. The two-year choice and three-year averaging were adopted by the legislature while the three-year choice has not been acceptable. The policy change contained in **HB 2605** would quantify declining enrollment at a .2 rate for each pupil that declines.

This factor realizes that certain fixed costs continue even though there are fewer pupils. If one student leaves a sixth grade classroom, that class still needs a teacher and a room. That class may need one fewer text and chair; however, the main costs continue.

We applaud the authors of this bill for trying to adjust our formula to assist our schools. We believe there may be other weightings that should be looked at—such as a factor for “cost of doing business”—if we are to improve our formula.

There is, in the long run, nothing that makes equity in school funding as easy as a large infusion of funds into the formula. More dollars than this bill would cost. It is no secret that the coalition supports that expenditure.

We support this effort to quantify declining enrollment as contained in **HB 2605**. Thank you for listening to our concerns.

KANSAS
ASSOCIATION



OF
SCHOOL
BOARDS



1420 SW Arrowhead Road • Topeka, Kansas 66604-4024
785-273-3600

Testimony on
HB 2605 – Declining Enrollment Weighting
Before the
House Committee on Education

By
Mark Tallman, Assistant Executive Director/Advocacy

January 23, 2002

Mr. Chairman, Members of the Committee:

Thank you for the opportunity to testify today on HB 2605. KASB strongly agrees with the intent of this bill: to assist school districts that are struggling with the problems of declining enrollment, however, we do not support passage of a bill to address this issue in isolation.

All school districts in Kansas are facing a crisis in funding because revenues have not kept up with rising costs and expectations. KASB believes that we must have a comprehensive plan to deal with school finance. Along with the other members of the School Finance Coalition, KASB has endorsed the proposals of the Kansas State Board of Education, because we agree with the Kansas State Board's goals and because the State Board has provided the *only* comprehensive proposal to meet the needs of schools and students in Kansas.

It is clear from the state budget situation that no increase in school funding, including the cost of HB 2605, can be funded without a tax increase. Without additional revenue, the only choice for the Legislature will be how much to cut. Therefore, without additional revenue, funding for HB 2605 can only come by taking money away from other districts, or deeper cuts from other parts of the state budget.

KASB believes the state must raise taxes to address critical school funding needs, including assistance for districts losing enrollment. We urge the Committee to work on a plan that meets the needs of all school districts; that addresses our critical problems of teacher recruitment and retention; and that supports our new national goal to leave no child behind. We believe the Kansas State Board of Education has given you a foundation to build upon.

Thank you for your consideration.

House Education Committee

Date: 1/23/02

Attachment # 10

January 23, 2002

To: House Committee on Education

From: Kansas Legislative Research Department and State Department of Education

Re: School Finance—Decreasing Enrollment Provisions Under the School District Finance and Quality Performance Act

Overview

Recognition of the impact of decreasing enrollments on school district financial planning has long been recognized in Kansas law. The School District Equalization Act (1973–74 through 1991–92), the predecessor to the School District Finance and Quality Performance Act (current law), contained such a feature.

School District Finance and Quality Performance Act

The current school finance law, enacted in 1992 and first applicable in the 1992–93 school year, initially contained no special provision for decreasing enrollments. This was not an oversight; rather, it was the deliberate adoption of the policy that the formula should fund only children actually enrolled in and attending school on the prescribed enrollment date (September 20). This policy applied in only one school year. A decreasing enrollment feature was added by the 1993 Legislature. It has been amended twice since—in 1997 and 1999.

Decreasing Enrollment Provisions Summarized

The following table contains a history of the decreasing enrollment feature of the school finance law under the School District Finance and Quality Performance Act:

House Education Committee

Date: 1/23/02

Attachment # 11-1

**TABLE
DECREASING ENROLLMENT PROVISIONS 1992-93 TO PRESENT**

School Year	Districts Experiencing Decreasing Enrollments	Cost of the Decreasing Enrollment Provision (In Millions)		Exhibit: Equivalent Number of FTE Pupils
		Fiscal Year	Amount	
1992-93	No provision	1993	\$ 0	NA
1993-94 through 1996-97	The district added to its enrollment in the current school year one half of the number of pupils by which the enrollment in the current year decreased from that of the preceding year. However, the enrollment decrease used for this calculation <u>could not</u> exceed 4.0 percent of the district's enrollment in the preceding year.	1994	\$ 3.36	934.5
		1995	\$ 5.75	1,596.2
		1996	\$ 5.98	1,650.2
		1997	\$ 5.59	1,523.8
1997-98 through 1998-99	The district used the enrollment of the preceding year.	1998	\$ 11.14	3,035.2
		1999	\$ 19.85	5,336.2
1999-2000 to Present	The district's enrollment* is the greater of: <ul style="list-style-type: none"> • The enrollment in the preceding year, or • The average of the enrollment in the current and two preceding years (three year average). 	2000	\$ 21.53	5,711.2
		2001	\$ 23.72	6,208.2

* A technical amendment ensured that children participating in the four year old at risk program were counted only as an add-on to the current year's enrollment.