

## MINUTES OF THE SENATE EDUCATION COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 1:32 p.m. on February 24, 2004 in Room 123-S of the Capitol.

All members were present:

Committee staff present:

Carolyn Rampey, Legislative Research  
Theresa Kiernan, Office of the Revisor of Statutes  
Judy Steinlicht, Committee Secretary

Conferees appearing before the committee:

Theresa Kiernan, Office of the Revisor of Statutes  
Mark Desetti, Kansas National Education Association  
Susan Helbert, Kansas State Department of Education  
Senator Bill Buntin  
Senator Dave Jackson  
John Atchley, former President & Chair of American Home Life Insurance  
Paul Fink, former Principal of Topeka High School  
Kim Borchers, Radio Show host and home maker  
Doris Riley, Concerned Citizen  
Charlene Bredemeier, Kansas State President of Eagle Forum  
Jim Edwards, Kansas Association of School Boards  
Mark Dick, CPA, Wichita  
Rob Balsters, Chief Fiscal Officer, Seaman USD#345

Others attending:

See Attached List

### **SB293--School safety and security act; weapon defined**

Theresa Kiernan, Revisor of Statutes, explained amendments that make technical and clarifying changes to **SB293**. Theresa provided a balloon showing the amendments and explained that the result would be to broaden the definition of "weapon" by giving local boards the authority to adopt resolutions that include their own definition of what would be considered a weapon and, to prohibit the possession of weapons on school property which are not otherwise prohibited under current law. (Attachment 1)

Mark Desetti, KNEA, believes the revised bill meets the concerns of KNEA.

Senator Oleen made a motion to amend **SB293** as described in the balloon amendment and to recommend **SB293** as amended favorably for passage. Seconded by Senator Schodorf. Motion carried.

### **SB157--Alternative teacher preparation programs**

Susan Helbert, coordinator for teacher certification for the State Department of Education, appeared before the committee to answer questions raised about whether the bill would comply with the No Child Left Behind provisions and licensure requirements of the State Department of Education. Susan explained reasons why the bill does not comply.

Senator Buntin thought the bill was a good idea with the shortage of teachers and made a motion to recommend **SB157** favorably for passage. Seconded by Senator Emler. Motion failed.

### **SB512--School districts; building-based budgeting**

Senator Bill Buntin explained that **SB512** provides for school based budgeting by Kansas school districts in a format that is readable and understandable by lay people. Senator Buntin provided a copy of the school budget format that the School Based Budget Working Group endorsed. It breaks the system wide figures down to a manageable, informative and understandable level. Senator Buntin believes that information in the hands of district patrons would be beneficial to education. It would allow those who fund the schools and those who run the schools to know where the dollars are spent, what the school

## CONTINUATION SHEET

MINUTES OF THE SENATE EDUCATION COMMITTEE at 1:32 p.m. on February 24, 2004 in Room 123-S of the Capitol.

board's priorities are and finally to determine if more dollars are in fact needed or if better use of existing funds is required. ([Attachment 2](#))

Senator Dave Jackson testified in support of the concept and principles of **SB512** which he believes simplifies the budget process to an understandable level. ([Attachment 3](#))

John Atchley, retired, former President and Chair of American Home Life Insurance, testified in support of **SB512**. Mr. Atchley told the committee that he served on Senator Bunten's School-Based Budget Committee. He said that he was not an expert on school finance, but in years of business experience, he could state that the budgeting process is one of the most important parts of managing a successful company. He believes the problem is that no one knows how much is needed to provide adequate funding for education. Mr. Atchley believes each school should prepare a budget based on their needs and submit the budgets to be studied to determine the total funding needed for all schools. ([Attachment 4](#))

Paul Fink, former principal of Topeka High School, offered testimony in favor of **SB512**. Mr. Fink feels the greatest value of this bill would be the ability of the patrons to understand budgets. He sees this bill as chance to work the budget from the ground up and to involve the principal as well as the staff people in developing the kind of program that the schools should have. ([no attachment](#))

Kim Borchers, radio show host and home maker, testified in favor of **SB512**. Ms. Borchers told the committee that she was a recent school board candidate and at the first budget meeting that was intended to bring them "up to speed" created a lot of glazed looks. She believes this bill is the first step in the right direction to seriously examine how Kansas funds education. ([Attachment 5](#))

Doris Riley, citizen & former teacher from Overland Park, Kansas, believes that **SB512** would benefit school districts and that the citizens of Kansas deserve clear, standardized reports. Ms. Riley believes if all schools used standardized accounting procedures and common definitions, and report at a meaningful level, everyone in the education process would have the ability to understand the strengths and needs of each district. ([Attachment 6](#))

Charlene Bredemeier, Kansas State President of Eagle Forum, testified in favor of **SB512**. She believes the March 2002 Legislative Post Performance Audit Report clearly spelled out the problems existing in the present system of school district accountability. Some very basic changes and additions would help the average citizen to see how their taxes are being spent for education. She believes that we must get a better handle on how the billions of education tax dollars are being spent before we can ask the taxpayers for more money. ([Attachment 7](#))

Jim Edwards, Kansas Association of School Boards testified as an opponent to **SB512**. This bill would require individual school building budgets and increase the size of the main school budget by 11 pages. Last year, a great deal of time was spent to produce alternatives to school budgets and what evolved was an additional budget publication that is compiled for all of the unified school districts in Kansas and is made available to anyone that desires a copy. School districts already make available to taxpayers more budget information than any other unit of government. Three budget documents are available, 1) the total budget, 2) the district's Budget Profile and 3) the district's Budget at a Glance. Mr. Edwards introduced Mark Dick, an accountant with more than 30 years experience. ([Attachment 8](#))

Mark Dick, accountant and trained auditor, appeared as a citizen and an opponent of **SB512**. His opinion is that government is not like business and a personal business is not a democracy. A business is there to make a profit and schools are there to provide an education. A school should have good business principles and be efficient and effective, but they are not there for profit. Government budgets, and controls cost by function, not by each site from which the function is delivered. Mr. Dick said he has studied this issue many hours and believes **SB512** would increase the administrative cost of providing education in Kansas and found no credible information to support that building based budgeting would result in a reduction of the cost of education. ([Attachment 9](#))

Rob Balsters, Chief Fiscal Officer, Seaman USD 345, was given the assignment to make some building-based budgets for the schools in USD #345. He provided the committee with summary information for Seaman High School, Northern Hills Junior High, Logan Junior High and East Indianola Elementary which are all schools in USD 345. Mr. Balsters said he believed that the forms duplicate themselves a lot.

CONTINUATION SHEET

MINUTES OF THE SENATE EDUCATION COMMITTEE at 1:32 p.m. on February 24, 2004 in Room 123-S of the Capitol.

Each school would have a packet of about 8 or 9 pages. This budget is a laborious task and represents about 50 hours of work. Mr. Balsters doesn't think this type of budget gives any additional information that you could not get from another source. He doesn't think it would be understood any better either. If school principals were put in charge of preparing the budget, they would have to hire someone. Mr. Balsters does not believe that budgeting from bottom up would save any money and in fact it would increase the cost of education. Mr. Balsters stated that he was definitely an opponent of **SB512**. One sample budget for Northern Hills Junior High is attached. (Attachment 10)

Written testimony in support of **SB512** is attached from Dr. Walt Chappel, President of Educational Management Consultants. (Attachment 11)

Written testimony in opposition of **SB512** is attached from Dr. Kent Hurn, United School Administrators (Attachment 12); Val DeFever, Schools for Quality Education (Attachment 13) and Dr. Gary George, Olathe USD #233 (Attachment 14).

Diane Gjerstad, Wichita School District provided a newspaper editorial from the Wichita Eagle regarding the Budget at a Glance stating "the document is a marvel of clarity and simplicity. The dense, confusing district budget book of the past are no more."

The meeting was adjourned at 2:33 p.m. The next meeting is scheduled March 2, 2004.

**SENATE EDUCATION COMMITTEE GUEST LIST**

DATE - 2/24/04

<u>NAME</u>	<u>REPRESENTING</u>
Diane Gjerstad	Wichita Public Schools
Mark J. Jell	Individual
Jim Edwards	KASB
Kent Hurn	USA
Dick Harlan	USD 240 Twin Valley
Just. Mary	USD 240 Twin Valley
Mark Whitcomb	USD 240 Twin Valley
Nancy Harrison	taxpayer
Charlene Bredemeier	taxpayer
Karin Beckus	taxpayer
John R. ARCHER	TAXPAYER
Doris T.aley	taxpayer
Bill Barber	St. Joseph
Paul K. Fink	retired



SENATE BILL No. 293

By Senator Lyon  
(By Request)

12-30

10 AN ACT concerning schools; relating to the Kansas school safety and  
11 security act; amending K.S.A. 72-89a01 and repealing the existing  
12 section.

13  
14 *Be it enacted by the Legislature of the State of Kansas:*

15 Section 1. K.S.A. 72-89a01 is hereby amended to read as follows: 72-  
16 89a01. As used in this act:

17 (a) "Board of education" means the board of education of a unified  
18 school district or the governing authority of an accredited nonpublic  
19 school.

20 (b) "School" means a public school or an accredited nonpublic school.

21 (c) "Public school" means a school operated by a unified school dis-  
22 trict organized under the laws of this state.

23 (d) "Accredited nonpublic school" means a nonpublic school partic-  
24 ipating in the quality performance accreditation system.

25 (e) "Chief administrative officer of a school" means, in the case of a  
26 public school, the superintendent of schools and, in the case of an ac-  
27 credited nonpublic school, the person designated as chief administrative  
28 officer by the governing authority of the school.

29 (f) "Federal law" means the individuals with disabilities education  
30 act, section 504 of the rehabilitation act, the gun-free schools act of 1994,  
31 and regulations adopted pursuant to such acts.

32 (g) "Secretary of education" means the secretary of the United States  
33 department of education.

34 (h) "Weapon" means (1) any weapon which will or is designed to or  
35 may readily be converted to expel a projectile ~~by the action of an explo-~~  
36 ~~sive~~; (2) the frame or receiver of any weapon described in the preceding  
37 example; (3) any firearm muffler or firearm silencer; (4) any explosive,  
38 incendiary, or poison gas (A) bomb, (B) grenade, (C) rocket having a  
39 propellant charge of more than four ounces, (D) missile having an explo-  
40 sive or incendiary charge of more than 1/4 ounce, (E) mine, or (F) similar  
41 device; (5) ~~any weapon which will, or which may be readily converted to,~~  
42 ~~expel a projectile by the action of an explosive or other propellant, and~~  
~~which has any barrel with a bore of more than 1/2 inch in diameter; (6)]~~

Theresa Kiezman  
leg. Revisor, of  
Statutes

Senate Education  
2-24-04  
Attachment 1

2-1

any combination of parts either designed or intended for use in converting any device into any destructive device described in ~~the two immediately preceding examples~~, and from which a destructive device may be readily assembled; ~~(7) any bludgeon, sandclub, metal knuckles or throwing star;~~ ~~(8) any knife, commonly referred to as a switch-blade, which has a blade that opens automatically by hand pressure applied to a button, spring or other device in the handle of the knife, or any knife having a blade that opens or falls or is ejected into position by the force of gravity or by an outward, downward or centrifugal thrust or movement; or (9) any electronic device designed to discharge immobilizing levels of electricity, commonly known as a stun gun. The term "weapon" does not include within its meaning~~

*"Weapon" does not mean:* (1) An antique firearm; (2) any device which is neither designed nor redesigned for use as a weapon; (3) any device, although originally designed for use as a weapon, which is redesigned for use as a signaling, pyrotechnic, line throwing, safety, or similar device; (4) surplus ordinance sold, loaned, or given by the secretary of the army pursuant to the provisions of section 4684(2), 4685, or 4686 of title 10 of the United States Code; (5) class C common fireworks.

~~Sec. 2. K.S.A. 72-89a01 is hereby repealed.~~

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

this subsection

; or (9) any weapon as defined by resolution of the board of education adopted pursuant to K.S.A. 72-8205, and amendments thereto.

New Sec. 2. A board of education may adopt a resolution pursuant to subsection (e) of K.S.A. 72-8205, and amendments thereto, prohibiting the possession of weapons on school property which are not otherwise prohibited under K.S.A. 72-89a01 et seq., and amendments thereto.

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SENATOR BILL BUNTEN

## COMMITTEE ASSIGNMENTS:

Member: COMMERCE  
EDUCATION  
LEGISLATIVE POST AUDIT  
WAYS AND MEANS

**Testimony**  
**on**  
**SB 512**

**Education Committee**  
**February 24, 2004**

Mr. Chairman and members of the Committee:

SB 512 provides for school based budgeting by Kansas school districts in a format that is readable and understandable by lay people. The bill implements the preliminary decisions of the School Based Budget Working Group that met during the autumn of 2003.

You have on your desk a copy of the school budget format the committee endorsed and you will find that it is, if not identical, almost identical to the district wide budget that is submitted annually to the State Department of Education. It uses not only the same format but the same coding used in the district budget. What it does is break the system wide figures down to a manageable, informative, and understandable level. Nothing more or less.

As I said, the bill requires that individual school budgets be established for each school in a district, and for each system wide program the district has authorized. Examples of district wide programs include central administration, food service, transportation, and, notably, special education.

Close consideration was given to how best to budget for special education costs since some districts have their own programs while others belong to cooperatives or interlocals. The committee decision was to treat district programs as a separate budget in which their anticipated expenditures would be listed. For districts who participate in a cooperative or interlocal the districts contribution would be shown as a transfer, and the cooperatives and interlocals would then be required to budget in a format similar to schools.

*Senate Education*  
*2-24-04*  
*Attachment 2*

There were concerns a year ago that a change such as SB 512 proposes would be costly and difficult. That there will be some expense for large districts to move to a standard budgeting procedure and format is correct. But the testimony we heard from the two computer service firms that provide computer services to approximately 275 of the states 302 school districts was that the change would cost nothing or the expense would be nominal.

I never did understand the concerns about coding. Although some districts use different coding for their accounting, they must convert those account numbers to that required by the State Department of Education for their district wide budget, and there are computer programs that will accomplish that.

This briefly is what the bill does. Some believe it a waste of time, that nobody cares and if they had a budget even at the school level they wouldn't look at it and if they did they wouldn't understand that budget either.

I disagree with that position and suggest that information in the hands of district patrons will be beneficial to education. It will allow those who fund the schools and those who run the schools to know where the dollars are spent, what the school board's priorities are and finally to determine if more dollars are in fact needed or if better use of existing funds is required.

Senator Bill Bunten

**EXPLANATION OF  
BUILDING BASED EXPENDITURES**

The Following pages will be completed for each building by the funds listed below. The expenses by each fund will then be combined into an overall expenditure report for each building. The funds used to compile the building expenditure report include the following:

<b>Fund</b>	<b>Code</b>
General	06
Supplemental General	08
Bilingual Education	26
Vocation Education	34
Federal Funds	07
Professional Development	26



**Summary Information  
Eisenhower Elementary School  
USD 555**

	<i>Actual</i> 2001-02	<i>Actual</i> 2002-03	<i>Estimated</i> 2003-04
<b><i>Students</i></b>			
<i>Non Spec. Ed.</i>	236	241	245
<i>Special Education</i>	<u>24</u>	<u>21</u>	<u>27</u>
<b><i>Total Students</i></b>	<b>260</b>	<b>262</b>	<b>272</b>

<b><i>Staff</i></b>			
<i>Teachers (Certified)</i>	14	14	14
<i>Teachers Aides</i>	3	3	2
<i>Special Ed. Teachers</i>	2	2	2
<i>Special Ed Paraprofessionals</i>	1	1	1
<i>All other Certified Staff</i>	3	3	3
<i>All other Classified Staff</i>	<u>4</u>	<u>4</u>	<u>4</u>
<b><i>Total Staff</i></b>	<b>27</b>	<b>27</b>	<b>26</b>

<i>Pupil Teacher Ratio (Certified Staff)</i>	16.3	16.4	17.0
<i>Square Footage of Building</i>	25,500	25,500	25,500

***Building Budget***

	<i>FTE</i> <i>01-02</i>	<i>Amount Spent</i> <i>01-02</i>	<i>FTE</i> <i>02-03</i>	<i>Amount Spent</i> <i>02-03</i>	<i>FTE</i> <i>03-04</i>	<i>Amount</i> <i>Budgeted</i>
<i>General &amp; LOB</i>	25.5	1,274,500	25.5	1,293,300	24.5	1,301,150
<i>Other Funds</i>	.5	15,250	.5	16,190	.5	16,500
<i>Federal Funds</i>	1.0	42,100	1.0	43,330	1.0	44,000
<b><i>Total Funds</i></b>	<b>27.0</b>	<b>\$1,331,850</b>	<b>27.0</b>	<b>\$1,352,820</b>	<b>26.0</b>	<b>\$1,361,650</b>

Example

Fund 00      Function 0000      Building 000      Object 000      Program 00

**2400 School Administration**

		FTE	12 mo. 2001-2002 Actual (1)	FTE	12 mo. 2002-03 Actual (2)	FTE	12 mo. 2003-04 Budget (3)
<b>*100 Salaries</b>							
00-2400-300-110-00	<b>Certified Salaries</b>						
00-2400-300-111-00	Salaries - Principal						
	General & LOB						
	Federal Funds						
	All Other Funds						
00-2400-300-112-00	Assistant Principals						
	General & LOB						
	Federal Funds						
	All Other Funds						
	<b>Total Certified Salaries</b>						
00-2400-300-120-00	<b>Reg. Non-Cert. Salaries</b>						
00-2400-300-121-00	Secretarial/Clerical						
	General & LOB						
	Federal Funds						
	All Other Funds						
00-2400-300-126-00	Overtime Salaries						
	General & LOB						
	Federal Funds						
	All Other Funds						
	<b>Total Non-Certified Salaries</b>						
	<b>Total Salaries</b>						
<b>*200 Fringe Benefits</b>	<b>Fringe Benefits</b>						
	General & LOB						
	Federal Funds						
	All Other Funds						
	<b>Total Fringe Benefits</b>						
<b>*500 Other Pur. Serv.</b>	<b>Total (Other Contracted)</b>						
<b>*600 Supp/Materials</b>	<b>Total Supp/Materials</b>						
<b>*700 Property - Equip</b>							
00-2400-300-733-00	Furniture and Fixtures						
00-2400-300-739-00	Other Equipment						
	<b>Total Property/Equipment</b>						
<b>*800 Other Objects</b>	<b>(Other Goods &amp; Services)</b>						
00-2400-300-810-00	Dues and Fees						
	<b>Total Other Objects</b>						
<b>All Objects 100-800</b>	<b>Total School Administration</b>						

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Example

Fund            Function            Building            Object            Program  
 00            0000            000            000            00

**1000 Instruction**

		FTE	12 mo. 2001-2002 Actual (1)	FTE	12 mo. 2002-03 Actual (2)	FTE	12 mo. 2003-04 Budget (3)
<b>*100 Salaries</b>							
00-1000-300-111-00	<b>Cert. Salaries - Teachers</b>						
	General & LOB						
	Federal Funds						
	All Other Funds						
00-1000-300-113-00	<b>Activities (Sup. Cntrc.) (1)</b>						
	General & LOB						
	Federal Funds						
	All Other Funds						
00-1000-300-114-00	<b>Extra duty (2)</b>						
	General & LOB						
	Federal Funds						
	All Other Funds						
00-1000-300-115-00	<b>Cert. Sub. Salaries</b>						
	General & LOB						
	Federal Funds						
	All Other Funds						
	<b>Total Certified Teacher Salaries</b>						
00-1000-300-121-00	<b>Teacher Aides Salaries</b>						
	General & LOB						
	Federal Funds						
	All Other Funds						
	<b>Total Teacher Aides Salaries</b>						
<b>*200 Fringe Benefits</b>							
	<b>Fringe Benefits</b>						
	General & LOB						
	Federal Funds						
	All Other Funds						
	<b>Total Fringe Benefits</b>						
<b>*300 Pur. Prof/Tech</b>							
	<b>(Contracted Professional Serv.)</b>						
00-1000-300-322-00	<b>Instructional Services</b>						
<b>400 Pur. Property</b>							
	<b>(Contracted Maintenance Serv.)</b>						
00-1000-300-431-00	Audio Visual Services						
00-1000-300-432-00	Computer Services						
00-1000-300-439-00	Other Equipment Services						
00-1000-300-442-00	Equip. & Vehicle Services						
00-1000-300-443-00	Film/Video Services						
00-1000-300-444-00	Software Services						
00-1000-300-449-00	Other Rental or Lease Serv.						
	<b>Total Purchased Property</b>						
<b>*500 Other Pur. Serv.</b>							
	<b>(Other Contracted Services)</b>						
00-1000-300-531-00	Postage Services						
00-1000-300-532-00	Telephone/or Telegraph Serv.						
00-1000-300-539-00	Other Communication Serv.						
00-1000-300-551-00	Directories						
00-1000-300-552-00	Handbooks						
00-1000-300-559-00	Other Printing and Binding						
00-1000-300-561-00	To Other LEA's in State						

\* Shown on budget document

**1000 Instruction**

		FTE	12 mo. 2001-2002 Actual (1)	FTE	12 mo. 2002-03 Actual (2)	FTE	12 mo. 2003-04 Budget (3)
00-1000-300-564-00	LEA Payments to COOP's/Interlocals						
00-1000-300-569-00	Other Tuitions						
00-1000-300-581-00	Travel						
	<b>Total Purchased Services</b>						
<b>*600 Supp/Materials</b>							
00-1000-300-610-00	General Supplies & Materials						
00-1000-300-644-00	Textbooks			It is optional to breakdown supplies and materials by program.			
00-1000-300-645-00	Workbooks						
00-1000-300-646-00	Binding and Repair						
00-1000-300-649-00	Other						
	<b>Total Supplies/Materials</b>						
<b>*700 Property</b>							
00-1000-300-720-00	<b>Equipment</b>						
00-1000-300-720-01	Agriculture			It is optional to breakdown equipment by program.			
00-1000-300-720-02	Alternative Education						
00-1000-300-720-03	Art						
00-1000-300-720-04	Business Education						
00-1000-300-720-05	Computer Science						
00-1000-300-720-06	Drivers Education						
00-1000-300-720-07	English						
00-1000-300-720-08	Fine Arts (Debate, Forensics)						
00-1000-300-720-09	Foreign Language						
00-1000-300-720-10	Home Economics						
00-1000-300-720-11	Health Education						
00-1000-300-720-12	History						
00-1000-300-720-13	Industrial Arts						
00-1000-300-720-14	Instrumental Music						
00-1000-300-720-15	Mathematics						
00-1000-300-720-16	Physical Education						
00-1000-300-720-17	Science						
00-1000-300-720-18	Social Studies						
00-1000-300-720-19	Vocal Music						
00-1000-300-720-20	Other						
	<b>Total Property</b>						
<b>*800 Other Objects</b>	<b>(Other Goods &amp; Services)</b>						
	<b>Total</b>						
<b>All Objects 100-800</b>	<b>Total Instruction</b>						

- (1) Would include supplemental contracts such as coaching, sponsor of activities, extended contracts, etc.  
 (2) Includes hourly wages paid for activities such as taking tickets, keeping score, etc.

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Example

Fund            Function            Building            Object            Program  
 00                0000                000                000                00

**2100 Student Support**

		FTE	12 mo. 2001-2002 Actual (1)	FTE	12 mo. 2002-03 Actual (2)	FTE	12 mo. 2003-04 Budget (3)
<b>*100 Salaries</b>							
00-2100-300-110-00	<b>Regular Certified Salaries</b>						
00-2100-300-111-00	Counselors						
	General & LOB						
	Federal Funds						
	All Other Funds						
00-2100-300-112-00	Social Workers						
	General & LOB						
	Federal Funds						
	All Other Funds						
00-2100-300-116-00	Nurses						
	General & LOB						
	Federal Funds						
	All Other Funds						
00-2100-300-117-00	Other						
	General & LOB						
	Federal Funds						
	All Other Funds						
00-2100-300-113-00	Activities (Supple. Contract) (1)						
	General & LOB						
	Federal Funds						
	All Other Funds						
00-2100-300-114-00	Extra duty (2)						
	General & LOB						
	Federal Funds						
	All Other Funds						
00-2100-300-115-00	Cert. Sub. Salaries						
	<b>Total Certified Salaries</b>						
00-2100-300-121-00	<b>Non-Certified Salaries - Paraprofessionals/Aides</b>						
	General & LOB						
	Federal Funds						
	All Other Funds						
	<b>Total Salaries</b>						
<b>*200 Fringe Benefits</b>	<b>Fringe Benefits</b>						
	General & LOB						
	Federal Funds						
	All Other Funds						
	<b>Total Fringe Benefits</b>						
<b>*300 Pur. Prof/Tech</b>	(Contracted Professional Serv.)						
00-2100-300-322-00	Instructional Services - Total						
<b>400 Pur. Property</b>	Total (Contracted Maintenance Serv.)						
<b>*500 Other Pur. Serv.</b>	Total (Other Contracted Services)						
<b>*600 Supp/Materials</b>	Total						
<b>*700 Property</b>							
00-2100-300-733-00	Furniture and Fixtures						
00-2100-300-736-00	Computers & Related Equipment						
00-2100-300-739-00	Other Equipment						

\* Shown on budget document



**2100 Student Support**

	FTE	12 mo. 2001-2002 Actual (1)	FTE	12 mo. 2002-03 Actual (2)	FTE	12 mo. 2003-04 Budget (3)
<b>Total Property</b>						
<b>*800 Other Objects (Other Goods &amp; Serv.)</b>						
00-2100-300-810-00 Dues and Fees						
<b>Total Other Objects</b>						
<b>All Objects 100-800 Total Student Support</b>						

- (1) Would include supplemental contracts such as coaching, sponsor of activities, extended contracts, etc.
- (2) Includes hourly wages paid for activities such as taking tickets, keeping score, etc.

Example  
 Fund      Function      Building      Object      Program  
 00      0000      000      000      00

**2200 Instructional Staff Support**

		FTE	12 mo. 2001-2002 Actual (1)	FTE	12 mo. 2002-03 Actual (2)	FTE	12 mo. 2003-04 Budget (3)
<b>*100 Salaries</b>							
00-2200-300-110-00	<b>Regular Certified Salaries</b>						
00-2200-300-111-00	Librarians						
	General & LOB						
	Federal Funds						
	All Other Funds						
00-2200-300-112-00	Audio Visual						
	General & LOB						
	Federal Funds						
	All Other Funds						
00-2200-300-115-00	Computer Tech						
	General & LOB						
	Federal Funds						
	All Other Funds						
00-2200-300-116-00	Curriculum Director						
	General & LOB						
	Federal Funds						
	All Other Funds						
00-2200-300-117-00	Other						
	General & LOB						
	Federal Funds						
	All Other Funds						
00-2200-300-113-00	Activities (Supple. Contract) (1)						
	General & LOB						
	Federal Funds						
	All Other Funds						
00-2200-300-114-00	Extra duty (2)						
	General & LOB						
	Federal Funds						
	All Other Funds						
	<b>Total Certified Salaries</b>						
00-2200-300-120-00	<b>Regular Non-Certified Salaries</b>						
00-2200-300-121-00	Non-Certified Salaries - Paraprofessionals/Aides						
	General & LOB						
	Federal Funds						
	All Other Funds						
	<b>Total Non-Certified Salaries</b>						
<b>*200 Fringe Benefits</b>	<b>Fringe Benefits</b>						
	General & LOB						
	Federal Funds						
	All Other Funds						
	<b>Total Fringe Benefits</b>						
<b>*300 Pur. Prof/Tech</b>	<b>(Contracted Professional Serv.)</b>						
00-2200-300-320-00	Professional-Education Serv						
00-2200-300-322-00	Instructional Services						
	<b>Total Pur. Prof/Tech Serv.</b>						
<b>400 Pur. Property</b>	<b>Total (Contracted Maint. Serv.)</b>						
<b>*500 Other Pur. Serv.</b>	<b>(Other Contracted Services)</b>						
00-2200-300-580-00	Staff Travel						
00-2200-300-581-00	In-District Travel						
00-2200-300-582-00	Out-of-District Travel						
	<b>Total Other Purch. Services</b>						

\* Shown on budget document

**2200 Instructional Staff Support**

		FTE	12 mo. 2001-2002 Actual (1)	FTE	12 mo. 2002-03 Actual (2)	FTE	12 mo. 2003-04 Budget (3)
<b>*600 Supp/Materials</b>	<b>Total Supplies &amp; Materials</b>						
<b>*700 Property</b>							
00-2200-300-733-00	Furniture and Fixtures						
00-2200-300-736-00	Computers & Related Equipment						
00-2200-300-739-00	Other Equipment						
	<b>Total Property &amp; Equipment</b>						
<b>*800 Other Objects</b>	<b>(Other Goods &amp; Services)</b>						
00-2200-300-810-00	Dues and Fees						
	<b>Total Other Objects</b>						
<b>All Objects 100-800</b>	<b>Total Instructional Staff Supp.</b>						

- (1) Would include supplemental contracts such as coaching, sponsor of activities, extended contracts, etc.  
 (2) Includes hourly wages paid for activities such as taking tickets, keeping score, etc.

Example

Fund	Function	Building	Object	Program
00	0000	000	000	00

**1100 Student Activities**

	FTE	12 mo. 2001-2002 Actual (1)	FTE	12 mo. 2002-03 Actual (2)	FTE	12 mo. 2003-04 Budget (3)
<b>*100 Salaries</b>						
00-1100-300-110-00 Certified Salaries						
00-1100-300-113-00 Activities Director						
General & LOB						
Federal Funds						
All Other Funds						
00-1100-300-120-00 Reg. Non-Cert. Salaries						
00-1100-300-121-00 Secretarial/Clerical						
General & LOB						
Federal Funds						
All Other Funds						
00-1100-300-126-00 Overtime Salaries						
General & LOB						
Federal Funds						
All Other Funds						
<b>Total Salaries</b>						
<b>*200 Fringe Benefits</b>						
<b>Fringe Benefits</b>						
General & LOB						
Federal Funds						
All Other Funds						
<b>Total Fringe Benefits</b>						
<b>*300 Pur. Prof/Tech</b>						
<b>(Contracted Professional Serv.)</b>						
00-1100-300-300-00						
00-1100-300-300-30 Athletics						
00-1100-300-300-31 Music						
00-1100-300-300-32 Debate						
00-1100-300-300-33 Forensics						
00-1100-300-300-34 Other						
<b>Total Purch. Prof/Tech</b>						
<b>*400 Pur. Property</b>						
<b>(Contracted Maintenance Serv.)</b>						
00-1100-300-430-00 Repairs & Maint						
00-1100-300-430-30 Athletics						
00-1100-300-430-31 Music						
00-1100-300-430-32 Debate						
00-1100-300-430-33 Forensics						
00-1100-300-430-34 Other						
00-1100-300-440-00 Equip. & Vehicle Serv.						
00-1100-300-442-30 Athletics						
00-1100-300-442-31 Music						
00-1100-300-442-32 Debate						
00-1100-300-442-33 Forensics						
00-1100-300-442-34 Other						
00-1100-300-449-00 Othr. Rentals/Lease						
00-1100-300-449-30 Athletics						
00-1100-300-449-31 Music						
00-1100-300-439-32 Debate						
00-1100-300-439-33 Forensics						
00-1100-300-439-34 Other						
<b>Total Purchased Prop.</b>						

\* Shown on budget document

**1100 Student Activities**

	FTE	12 mo. 2001-2002 Actual (1)	FTE	12 mo. 2002-03 Actual (2)	FTE	12 mo. 2003-04 Budget (3)
<b>*500 Other Pur. Serv. (Other Contracted Services)</b>						
<b>00-1100-300-530-00 Communications Serv.</b>						
00-1100-300-530-30 Athletics						
00-1100-300-530-31 Music						
00-1100-300-530-32 Debate						
00-1100-300-530-33 Forensics						
00-1100-300-530-34 Other						
<b>00-1100-300-580-00 Staff Travel</b>						
00-1100-300-580-30 Athletics						
00-1100-300-580-31 Music						
00-1100-300-580-32 Debate						
00-1100-300-580-33 Forensics						
00-1100-300-580-34 Other						
<b>Total Other Pur. Serv.</b>						
<b>*600 Supp/Materials</b>						
<b>00-1100-300-610-00 Gen. Supp/Materials</b>						
00-1100-300-610-30 Athletics						
00-1100-300-610-31 Music						
00-1100-300-610-32 Debate						
00-1100-300-610-33 Forensics						
00-1100-300-610-34 Other						
<b>00-1100-300-640-00 Books &amp; Periodicals</b>						
00-1100-300-640-30 Athletics						
00-1100-300-640-31 Music						
00-1100-300-640-32 Debate						
00-1100-300-640-33 Forensics						
00-1100-300-640-34 Other						
<b>00-1100-300-650-00 Audio Vis/Inst. Software</b>						
00-1100-300-650-30 Athletics						
00-1100-300-650-31 Music						
00-1100-300-650-32 Debate						
00-1100-300-650-33 Forensics						
00-1100-300-650-34 Other						
<b>Total Supplies/Materials</b>						
<b>*700 Property</b>						
<b>00-1100-300-730-00 Equipment</b>						
00-1100-300-730-30 Athletics						
00-1100-300-730-31 Music						
00-1100-300-730-32 Debate						
00-1100-300-730-33 Forensics						
00-1100-300-730-34 Other						
<b>Total Property</b>						
<b>*800 Other Objects (Other Goods &amp; Serv.) Total</b>						
<b>All Objects 100-800 Total Student Activities</b>						

Student activities would include after school programs such as athletics, forensics, debate, etc.

\* Shown on budget document



Example  
Fund            Function            Building            Object            Program  
00                0000                000                000                00

**2600 Operations & Maintenance**

		FTE	12 mo. 2001-2002 Actual (1)	FTE	12 mo. 2002-03 Actual (2)	FTE	12 mo. 2003-04 Budget (3)
<b>*100 Salaries</b>							
00-2600-300-120-00	<b>Reg. Non-Cert. Salaries</b>						
00-2600-300-121-00	Custodial						
	General & LOB						
	Federal Funds						
	All Other Funds						
00-2600-300-122-00	Security						
	General & LOB						
	Federal Funds						
	All Other Funds						
00-2600-300-123-00	Other Non-Certified						
	General & LOB						
	Federal Funds						
	All Other Funds						
00-2600-300-126-00	Overtime Salaries						
	<b>Total Non-Certified Salaries</b>						
<b>*200 Fringe Benefits</b>							
	<b>Fringe Benefits</b>						
	General & LOB						
	Federal Funds						
	All Other Funds						
	<b>Total Fringe Benefits</b>						
<b>*300 Pur. Prof/Tech</b>	<b>Total (Contracted Professional Serv.)</b>						
<b>*400 Pur. Prop. Serv</b>	<b>Total (Contracted Maintenance Services)</b>						
<b>*500 Other Pur. Serv.</b>	<b>Total (Other Contracted Services)</b>						
00-2400-300-523-00	Property Insurance						
00-2400-300-581-00	In-District Travel						
00-2400-300-582-00	Out-of-District Travel						
	<b>Total Other Purch. Services</b>						
<b>*600 Supp/Mat &amp; Eng</b>							
00-2400-300-621-00	Heating						
00-2400-300-622-00	Electricity						
00-2400-300-629-00	Other						
	<b>Total Supp/Materials/Eng</b>						
<b>*700 Property - Equip</b>							
00-2400-300-733-00	Furniture and Fixtures						
00-2400-300-739-00	Other Equipment						
	<b>Total Property - Equipment</b>						
<b>*800 Other Objects</b>	<b>(Other Goods &amp; Services)</b>						
00-2400-300-810-00	Dues and Fees - Total						
<b>All Objects 100-800</b>	<b>Total Operations &amp; Maint.</b>						

\* Shown on budget document



COMMITTEE ASSIGNMENTS

- WAYS AND MEANS
- ELECTIONS AND LOCAL GOVERNMENT
- TRANSPORTATION
- JOINT COMMITTEE ON SPECIAL CLAIMS AGAINST THE STATE
- TOPEKA STATE HOSPITAL CEMETERY MEMORIAL ADVISORY COMMITTEE
- JOINT COMMITTEE ON CHILDREN'S ISSUES
- SPECIAL COMMITTEE ON KANSAS SECURITY

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SENATE CHAMBER

**Testimony on Senate Bill 512**  
 Before the Senate Education Committee  
 Duane Umbarger, Chairman

I am here to support the concept and principles of this bill which simplifies the budget process to an understandable level.

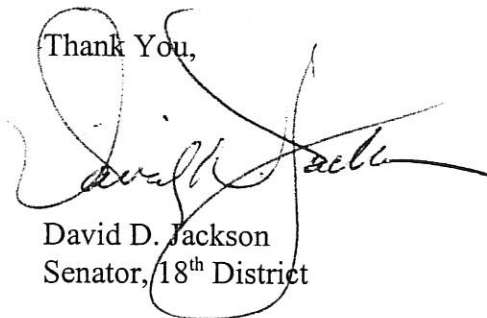
As a former budget analyst for the Department of Housing and Urban Development (DHUD) for the Public Housing Agencies (PHA) of Kansas and Missouri, I can tell you that whether the PHA was Gaylord, Kansas with 1 project with 12 units to the Kansas City, Missouri PHA with nearly 30 projects and some projects with more than 1,000 units in the project, the budget document used, provided a format that allocated costs to each project in a rational, reasonable, and transparent manner.

This method allowed for comparisons of operating costs between PHA's and assisted the PHA and HUD to determine whether efficiencies could be better achieved by modifying management practices, or if costs beyond the control of the PHA were driving operational expenses.

Similarly, school-based budgeting as proposed by Senator Bunten would help the local Boards of Education determine where monies are being directed, and if a statewide database were established with every school district using the same chart of accounts with definitions for allocations and distribution of costs, comparisons between districts would be a useful tool.

I would urge the committee to forward this bill favorably for passage.

Thank You,



David D. Jackson  
 Senator, 18<sup>th</sup> District

Senate Education  
 2-24-04  
 Attachment 3

February 23, 2004

JOHN R. ATCHLEY

COMMENTS BEFORE THE 2004 SENATE EDUCATION COMMITTEE  
Chairperson Dwayne Umbarger

My name is John R. Atchley. I live at 5957 SW 31<sup>st</sup> street, Topeka, Ks. I am retired.

Thank you for the opportunity to appear before the committee. I do not pretend to be an expert in the funding of education in Kansas. However I had the opportunity to serve on Senator Buntens School-based Budget Committee and listened to testimony from many sources concerned and involved with providing state funding of elementary and secondary schools. I found the experience on the committee to be very enlightening.

I have a copy of Judge Terry Bullocks interim opinion and have studied it and found it to be extremely informative. I have a copy of the report prepared by Augenblick & Meyers, Inc. for the Legislative Coordination Council and have studied it also.

I have four children who went through the Kansas school system and now have several grandchildren in the system. I have then, experienced the educational system in Kansas first hand.

I stated that I am not an expert in the funding of education in Kansas. However I do have over 45 years experience in the business world. Before my retirement I spent 11 years as President, CEO and Chairman of the Board of the American Home Life Insurance Company. The home office of the company is located in Topeka, Ks.

During my career I had the opportunity to gain experience in the many facets of managing companies and in important financial matters involved with successful companies. I can state that the budgeting process is one of the, if not the most important parts of managing a successful company. Without a budget there can be no business plan, at least not a plan that will be successful.

I will make just one more comment about budgets for businesses. They must be prepared by those responsible and accountable for the success of the business. If the budget is properly prepared, and followed, the business will be successful. If it is poorly prepared, or not followed the result can be you get fired! That is a great incentive to do it right. I would hope that all public and private institutions would have such a strong incentive.

I have heard it said that managing a business and managing a public institution, such as education is not the same thing. I strongly disagree with this statement. A budget is an integral part of any enterprise whither private or public.

5957 SW 31<sup>st</sup>  
Topeka, Ks 66614

Senate Education  
2-24-04  
Attachment 4

Another important thing I have learned over the years is that to solve a problem the problem must first be correctly identified. If the problem is not correctly identified then no solution will be found. It does not mean the solution was bad, just that the wrong problem was identified.

After serving on the committee, listening to important testimony, reading Judge Bullocks opinion and studying the Augenblick & Meyers report the only conclusion I could reach is the that problem is not that Kansas is not providing adequate funding for education. The problem is NO ONE KNOWS HOW MUCH FUNDING IS NEEDED.

Time will not permit me to give you all of the information that led me to this conclusion. But I do want to site two examples from Judge Bullocks opinion:

Page 67, item 18 states, "In uncontroverted testimony from the State's top education official, frankly astonishing to the Court, it was revealed that Kansas has no "bottom-up" budgeting system for public schools whatsoever! No one in the history of Kansas, has ever asked our schools what resources they need to provide a suitable education for our children."

Page 86, item number (a) states, "As previously mentioned, Kansas has no cost-based budgeting system from which even estimated costs of a suitable education could be ascertained."

The testimony before Senators Buntens committee I believe support the above conclusions.

Children receive their education by attending school and being taught by teachers in the schools. They do not receive their education from the various levels of administration in the school system, from the various boards of education and the many others involved in our education system that are not directly involved in the teaching of the children.

Since children receive their education in schools, in classes taught by teachers, supervised by a Principal, these are the people who know what they need to provide suitable education to the children. But as far as I can tell they do not have a great deal of input in the budgeting process, if any input at all!

Teachers and principals have the responsibility and accountability for the children's education. Yet they have a minimal voice in preparing the budget necessary to carry out their responsibility. This is simply wrong.

Each school should prepare a budget based on their needs to meet their responsibilities. The budgets can then be presented through the proper channels, debated if necessary, and a final budget prepared to include all schools and the

amount of total funding required can be determined. Only then can the problem of funding be resolved.

Senate Bill No. 512 goes directly to the need of "School Based Budgeting"

In closing I recognize that this is not a simple problem to tackle. But I am confident it can be accomplished. And the process should not be limited to how many tax dollars must be devoted to education but include a study of how savings could be achieved through areas such as consolidation of some of the many school districts and a careful look at all of the extra programs provided not directly needed to provide a suitable education for our children.

Finally, I have the utmost respect for our teachers. They have an important job that is not an easy one. They should be paid accordingly and have input into a budget so we can hold them accountable for educating our children.

Thank you,



John R. Atchley

NOTE: I have heard the figure of an additional \$1 billion may be needed. It is in Judge Bullocks opinion and I have seen it mentioned at other times. The source sited is Augenblick & Meyers report. I have read this report several times and am still not convinced it calls for an additional \$1 billion. I urge anyone who is fixed on this number to read that report very, very carefully.



Education Committee  
2/24/04

My name is Kim Borchers. My husband and I have been residents of Shawnee County for almost seven years and prior to that we resided in Johnson County. I come before you today wearing a number of hats--parent, taxpayer, former businesswoman, and recent school board candidate. My time here today will focus on the latter two.

I recall vividly the first legislative forum that I attended in Shawnee County where I had an interesting discussion with a legislator regarding accountability in funding. She informed me that this was "government" not "business." I was pregnant with my first child at the time and I think that statement almost put me into labor. But with all joking aside, those comments put a red flag up and led me to believe that if this is the mindset at the capital, then it is no wonder there never seems to be enough money. Business 101 says that if you provide a service and receive a payment you have conducted a business transaction--this is exactly what occurs within education funding. School-based budgeting is just *sound business practice*.

I have heard many arguments against this bill and quite honestly none of them hold water. Smaller districts claim that it will be a hardship. The pharmaceutical company I started with was a small start-up operation. We were held to the same guidelines and regulations as J & J, Merck, and Pfizer. We did not run to the federal government and say that our workload would be greater if we were held to the same standard. They would have laughed us out of town. Regulations are set to protect consumers, just as this piece of legislation protects Kansas taxpayers—consumers of public education. I have also heard it argued that there would be more competition for available dollars within the district. Perhaps I trust the schools' principals more than the upper level administrators, but I believe the principals are well aware of the differences between their schools and thus where the finances would vary to meet their respective needs. I managed a ten-state area and the needs varied widely from Omaha to Houston. No one on my team ever expected that the money would be disseminated equally.

I am also coming to you as a former school board candidate. I recall the glazed looks as we shuffled through papers at a budget meeting that was intended to bring us 'up to speed.' I consider myself a reasonably intelligent individual and one who was quite comfortable managing a multi-million dollar budget, but the content of these papers was GREEK to me (as well as the finance major/attorney and small business owners who were also in attendance). I remember asking several board members about some issues and, unable to explain the budget, they directed me back to an administrator. This again reinforced to me that current school board members needed school-based budgeting--so they could answer the average taxpayers' questions. More reinforcement came when Sen. Bunten presented the pilot program to our local board. I have to say I was embarrassed by the behavior of one of our administrators whose tone was curt in response to Sen. Bunten's fair questions and his body language was offensive. I felt like I was back at home dealing with my 3-year-old when I tell her to do something that she doesn't want to. The final straw was when I was informed by one of the current board members that the assistant superintendent had informed the board that he would count it as *harassment* if he were *forced* to participate in the pilot. I can recall on numerous occasions in my professional career being told to do things that were not part of my written job description. Never would I have envisioned telling my superiors that I regarded it as harassment. This reinforced what I believed from the very beginning--the resistance to SB512 is one of **control**. The less people know and understand, the less they can question and challenge. I found that to be the case in business and I firmly believe that is the case here. This type of mentality is inexcusable when it comes to educating our children. We should be a partnership of parents, taxpayers, school boards, administrators, and legislators and I believe that those who come to this building year after year exclaiming "We NEED more money," should be embracing this bill instead of opposing it.

If we are going to seriously examine how Kansas funds education, this bill is the first step in the right direction. Throwing another 304 million dollars at the issue this year is not. I encourage you to support this pro-education piece of legislation, **SB512**. It is the right thing for Kansas kids and the right thing for those who are paying the bill.

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Attachment 5

**SENATE EDUCATION COMMITTEE  
SENATE BILL 512**

TESTIMONY

By

Doris Riley  
10850 W 154<sup>th</sup> Street  
Overland Park, KS 33221  
913-897-2136

February 24, 2004

Chairman Umbarger, Members of the Education Committee, thank you for the opportunity to present testimony in support of Senate Bill 512.

Education, by definition is the process of developing knowledge. With school finance as the leading issue before the legislature, the electorate is directed back to their local school district budget. Unfortunately, these local budgets are incomprehensible to the average person, as well as many accountants. Senate Bill 512 addresses this issue that, I believe, could ultimately benefit school districts with increased support by the electorate.

When 67% of the Kansas State Budget is dedicated to funding K-12 education, it is safe to say that education is a big business. The Securities and Exchange Commission regulates public companies. Their primary mission is to protect investors and maintain the integrity of the securities markets. The recent Sarbanes-Oxley Public Company Accounting Reform and Investor Protection Act passed by the US Congress in 2002 was designed to standardize reporting and provide mechanisms for investors to show business processes which resulted in fair, concise and unambiguous financial statements. While Senate Bill 512 does not come close to imposing the requirements of the law for public companies, it would set some standards for school budget reporting. The citizens of Kansas support our schools while at the same time deserve clear, standardized reports. It is the task of the legislature to set the standard for required school budget reporting.

The current law only requires schools, at the district level, to provide general information relating to revenues and expenditures in a non-specified format. Senate Bill 512 would

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Attachment 6*

set a standard for each school district to follow, set by the State Department of Education. This would remove the burden of financial and accounting decisions for each school district and allow the accounting of school districts to become more routine across accountants and accounting software providers. Only through the steady flow of timely, comprehensive and accurate information can the electorate and the legislature make sound funding decisions.

The business of education is a service business. The end result of this business is to produce a well-rounded adult with competencies to function as a productive citizen. Many people are involved in the educational process in Kansas. The electorate or taxpayers are investors in the business of education. Administrators, teachers, and other workers in the field of education are the employees of the education business. It is reasonable to require the business of education to provide budgets that everyone involved can understand. Everyone, the electorate, educators, legislators, and businesses would be the beneficiaries of more comprehensive information. Although this is a simplistic view, and it is understood that educating children is complex and can be difficult, it addresses the basic issue. Senate Bill 512 would be the vehicle that provides the electorate, administrators, teachers, and private businesses that work with and assist education with understandable budgets. When all school districts use standardized accounting procedures and common definitions, and report at a meaningful level, everyone in the education process would have the ability to understand the strengths and needs of each district. School districts with common needs would have the ability to collaborate to find solutions. Schools within a district could be compared and understanding of the needs of each school would then be more clearly defined and more easily understood.

School districts, by and large, have excellent means to communicate with the parents within their school district. The electorate is informed of the successes and needs of the school district through the media. With Senate Bill 512 in place, an informed electorate that understands the revenues and expenses within each the district, as well as statewide, would be able to support school needs in resolving funding issues.

The common goal is for each child in Kansas to have a successful educational experience. Knowledge and understanding leads to open, civil discussion. Knowledge and understanding leads to support for education. Senate Bill 512 could ultimately be the vehicle to strengthen electorate support for all of our schools.

I respectfully request that the Senate Education Committee vote to approve Senate Bill 512 with the recommendation for Senate approval.

Senate Education Committee

Senate Bill No. 512

February 24<sup>th</sup>, 2004

Testimony from: Charlene Bredemeier  
10156 Shadow Circle  
Olathe, Kansas 66061

This legislation will be a welcome help to all of us taxpayers across Kansas who desire to have school district budgets broken down and simple to understand.

The March 2002 Legislative Post Performance Audit Report clearly spelled out the problems existing in the present system of school district accountability. Some very basic changes and additions would help the average citizen to see how their taxes are being spent for education.

To quote a few remarks in the report:

1. "This budget cycle is unique in that the fiscal year has already started when the final budget is prepared, and this cycle leaves little time for public review." (Page one of the Executive Summary)

Do we really expect the public to get involved by attending budget hearings, when it is now just a charade and changes can be made after the hearing process is over? **This must be addressed in the bill.**

2. "...school districts in Kansas were not including grants, gifts, donations, and other miscellaneous income and expenditures as part of the regular budget process." (page 11 of the Performance Audit Report)

Johnson County passed a sales tax for additional tax revenue for the counties' schools. Millions of dollars have been and will continue to be distributed in the form of **grants** from Johnson County. The present system doesn't require any accountability to report these funds and federal entitlement funds in the regular budget process. All grants (NCES) must be reported. **Grants must be added to this bill!**

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3. "The staffing information school districts report doesn't tie to staffing expenditures in their budgets." (page 14 of the Report)

If school districts include staff hired with federal funds in their reported staffing levels, **but** exclude federal entitlement grants and other **miscellaneous** income from reported income then the budget is skewed and impossible to make comparisons with other schools and states. This bill will require the school budgets to list all income of this nature.

4. "Complete enrollment information isn't provided that would allow district costs to be compared on a uniform basis." (page 14 of the report)

We need to have enrollment in all the schools broken down in order to make comparisons against staffing and expenditures. All students should be tracked and reported.

I like that bill SB512 will require schools to make a summary of the changes from the pervious budget year, as well as a summary of estimated expenditures and revenues to be received in the ensuing budget year as well as revenue sources.

**We must get a better handle on how the billions of education tax dollars are being spent before we can ever ask the taxpayers to fork over more money.**

**Judge Bullock noted in his preliminary order that the education formula had no "bottom-up" accountability. He hit the nail on the head.**

**Passing this bill will begin that process and will provide for a long overdue reporting system for school districts all across Kansas.**

**Thank you for your time,**

**Charlene Bredemeier  
10156 Shadow Circle  
Olathe, Kansas 66061**





Testimony on **SB 512**  
before the  
**Senate Education Committee**

by

**Jim Edwards, Governmental Relations Specialist**  
Kansas Association of School Boards

**February 24, 2004**

Chairman Umbarger and members of the Committee:

I appreciate the opportunity to appear before you today to express KASB's opposition to **SB 512**. This measure would require individual school building budgets and increase the size of the main school district budget, using the forms presented during the summer workgroup meetings, by 11 pages per building in the district.

I would remind you that we all worked a great number of hours last year to produce alternatives to school district budgets because some in this body said that the budgets were much too complex, unwieldy, unclear and sometimes perplexing for patrons, board members, and legislators. What evolved was an additional budget publication that is compiled for all of the unified school districts in Kansas and is made available to anyone that desires a copy. So what budget information do district patrons have available to them across the state?

Well, let me first say that districts already make available to taxpayers more budget information than ANY unit of government, including the Kansas Legislature. As a district patron you have the following three budget documents available:

- 1) the complete budget of the district – vary from around 40 to over 500 pages (depending on the size of the district);
- 2) (new – blue sheets) the district's Budget Profile – most USD's are close to 25 pages; and,
- 3) (new – yellow sheets) the district's Budget at a Glance – most USD's are close to 11 pages.

In addition, if you live outside of a district, you may go to the Kansas State Department of Education Web site and view any district's Budget Profile or Budget at a Glance reports. While none of the districts in Kansas found a "big run" for these new publications, we feel that as more people find out about them they will be used. I have attached examples of the "Budget at a Glance" and the "Budget Profile" for USD 501 to my testimony. KASB has supported making the budgets of local districts easier to read and understand, and we feel that our work last year with members of the House and Senate accomplished that.

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The information which would be required by **SB 512** is, in some form, already being used for internal board/management budgeting, monthly reporting and decision-making. However, the school boards have all of the information on a district and its buildings and understand the vast differences that might show up if individual building budgets were published. An example would be where instructors with the most experience are placed where the challenges and needs are the greatest. If we assume that more experience equates to greater time in a district, these could well be the instructors with the highest salaries and therefore the building costs become very misleading. In addition, salaries, which are the largest expenditure in any district, are not negotiated at the building level.

I have shown that school districts are already providing more financial information to their patrons than other levels of government. I hope that I illustrated the value of all the existing documents in providing financial information to the district's patrons. What I haven't discussed yet is the cost for such implementation.

According to a private sector provider brought in by the Building Based Budget Workgroup this past December, the software necessary to handle a program of building based budgets would cost \$225,000 per district, or more than \$67 million for the 302 districts in the state. This would be in addition to the approximate statewide **annual** costs of \$9,000,000 for software support (\$30,000 per district) and \$4.2 million in staff support (\$25,000 total payroll per district). These figures are detailed in the report given to the Building Based Budget Workgroup that is included as an attachment to this testimony (green sheets). During a time when the Legislature is trying to ensure that more money gets into the classroom, it seems strange that some would suggest taking \$67 million initially out of the classroom and chasing it with an additional \$13.2 million per year.

We recognize that what is necessary for effective management/board/governing body decision-making is not necessarily what is needed for district patrons and vice versa. We believe that the time and energies of school officials would be much better spent addressing the education of the children in the school districts of Kansas.

Thank you for the opportunity to appear and I would stand for questions.

February 24, 2004

**Testimony on SB 512  
Senate Education Committee**

**by  
Mark W. Dick, CPA, CFE, CGFM**

Mr. Chairman and members of the Senate Education Committee, my name is Mark Dick. I am Executive Vice President and Shareholder of Allen, Gibbs & Houlik, L.C., Certified Professional Accountants and Consultants, in Wichita.

I am pleased to have the opportunity to appear before you today and to express my views on the subject of building-based budgeting for Kansas School Districts. I am a finance professional with more than 30 years experience in providing accounting and auditing services to State and local governments. Currently, I serve the public as the Partner-in-charge of audits of some of the State's largest governmental entities, including the State of Kansas. I appear before you today to share my knowledge with you from my experience as a finance professional-NOT as a representative for any specific client or organization. As my Grandfather used to say, "I don't have a dog in this fight". I simply want to provide to you my observations related to the proposed SB 512. There are some serious public policy shifts mandated by SB 512 that should be carefully reviewed by this committee and the Senate before any action is taken.

- I. School Districts have little in common with private enterprise such as Wal-Green Drug Stores. Wal-Green is in business to make money, they operate each store as profit center and make some economic decisions by store location.
  - School Districts provide quality education to the students and offer a variety of subjects (most of which are mandated by the State or Federal Government) without regard to the location or building the service is provided. The building is not a profit center on which management of the District makes economic decisions.
  - The economics of a School District are driven by the number of students served, not the number of buildings.
  - In many cases both teachers and students attend multiple sites.
  - Costs per building can fluctuate due to numerous reasons such as experienced/entry-level teachers, physical limitation of the building and age of the building.

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- Accumulating cost per building will provide incomplete information. Unlike private enterprise, governments budget and control costs by function, not by each site from which the function is delivered (example, Kansas Department of SRS).
- II. The measurable economic indicators related to the financial efficiency of the District relate to cost per student by function, not by building.

For example: How much does it cost to provide accelerated math class to High School students? The relevant answer lies in the cost per student, not the cost per building.

- III. KSA 79-2926 was amended in the 2003 session to require school districts to include supplemental budget information which would allow the user to ascertain basic cost information as well as referring the user to the availability of existing building based statistics.

Let me point out here that the Kansas Department of Education web site has an abundance of information. I have attached to my testimony examples of the information, including a Report Card that reflects statistics and performance indicators for the district as a whole and by individual schools. There are other reports that time here will not allow me to discuss.

However, these reports provide the information being sought by SB 512.

I have spent many hours reviewing these issues, and I have reached one conclusion. With all due respect to those supporting SB 512, this bill will increase the administrative cost of providing education in Kansas. I have found no credible information to support the presumption that building-based budgeting will result in a reduction of the cost of education.

My findings are quite the opposite. SB 512 will increase the accounting and budgeting costs on schools. The issue of the cost of education is certainly worthy of discussion in the public forum. However, building-based budgets will only increase the cost with no resultant tangible benefit, and will most certainly shift dollars that could otherwise be spent in the classroom.

I would like to thank the committee for this opportunity to participate in this important discussion. If time permits, I'd be happy to answer any questions.

*Rob Balsters  
Seaman USD 345*

**Summary Information  
Northern Hills Junior High**

**USD 345**

	Actual 2001-02	Actual 2002-03	Estimated 2003-04
<b>Students</b>			
Non Special Ed			418
Special Education			22
<b>Total Students</b>			<b>440</b>
<b>Staff</b>			
Teachers (Certified)			30.0
Teachers Aides			6.0
Special Ed Teachers			3.5
Special Ed Paraprofessionals			6.5
All other Certified Staff			2.0
All other Classified Staff			5.0
<b>Total Staff</b>			<b>53.0</b>
Pupil-Teacher Ratio (Certified Staff)			13.1
Square footage of building.			80,846

**Building Budget**

	FTE 2001-02	Amount Spent 2001-02	FTE 2002-03	Amount Spent 2002-03	FTE 2003-04	Amount Budgeted
General & LOB					39.4	1,812,209
Federal Funds					0.5	63,675
Other Funds					0.0	0
<b>Total Funds</b>					<b>39.9</b>	<b>1,875,884</b>

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1000 Instruction

Northern Hills Jr. High

						FTE	2003-04 Budget
*100 Salaries							
00	1000	300	111	00	Cert. Salaries - Teachers		
General & LOB						29.0	953,832
Federal Funds							58,286
All Other Funds							
00	1000	300	112	00	Activities (Supp. Contract) (1)		
General & LOB							58,796
Federal Funds							
All Other Funds							
00	1000	300	112	00	Extra Duty (2)		
General & LOB							
Federal Funds							
All Other Funds							
00	1000	300	112	00	Certified Substitute Salaries		
General & LOB							
Federal Funds							
All Other Funds							
Total Certified Teacher Salaries						29.0	1,070,914
00	1000	300	121	00	Teacher Aides Salaries		
General & LOB						2.0	30,419
Federal Funds						0.5	5,389
All Other Funds							
Total Teacher Aides Salaries						2.5	35,808
* 200 Fringe Benefits							
Fringe Benefits							
General & LOB							117,135
Federal Funds							
All Other Funds							
Total Fringe Benefits						0.0	117,135
*300 Purchased Prof/Tech Svcs (Contracted Professional Svc.)							
00	1000	300	322	00	Instructional Services		
*400 Purchased Property (Contracted Maintenance Svc)							
00	1000	300	431	00	Audio Visual Services		
00	1000	300	432	00	Computer Services		
00	1000	300	439	00	Other Equipment Services		
00	1000	300	442	00	Equip & Vehicle Services		
00	1000	300	443	00	Film/Video Services		
00	1000	300	444	00	Software Services		
00	1000	300	449	00	Other Rental or Lease Services		
Total Purchased Property						0.0	0
*500 Other Purchased Services (Other Contracted Services)							
00	1000	300	531	00	Postage Services		
00	1000	300	532	00	Telephone/or Telegraph Svc		
00	1000	300	539	00	Other Communication Svc		
00	1000	300	551	00	directories		

						FTE	2003-04 Budget
*500 Other Purchased Services - Cont'd							
00	1000	300	552	00	Handbooks		
00	1000	300	559	00	Otrher Printing and Binding		
00	1000	300	561	00	To Other LEA's in State		
00	1000	300	564	00	LEA Pmts to COOP's/Interloc		
00	1000	300	569	00	Other Tuitions		
00	1000	300	581	00	Travel		
Total Purchased Services						0.0	0
*600 Supplies/Materials							
00	1000	300	610	00	General Supplies & Materials		27,057
00	1000	300	644	00	Textbooks		6,677
00	1000	300	645	00	Workbooks		
00	1000	300	646	00	Binding and Repair		
00	1000	300	649	00	Other		
Total Supplies/Materials						0.0	33,734
*700 Property-Equipment							
00	1000	300	720	00	Equipment		
00	1000	300	720	01	Agriculture		
00	1000	300	720	02	Alternative Education		
00	1000	300	720	03	Art		
00	1000	300	720	04	Business Education		
00	1000	300	720	05	Computer Science		
00	1000	300	720	06	Drivers Education		
00	1000	300	720	07	English		
00	1000	300	720	08	Fine Arts (Debate, Forensics)		
00	1000	300	720	09	Foreign Language		
00	1000	300	720	10	Home Economics		
00	1000	300	720	11	Health Education		
00	1000	300	720	12	History		
00	1000	300	720	13	Industrial Arts		
00	1000	300	720	14	Instrumental Music		
00	1000	300	720	15	Mathematics		
00	1000	300	720	16	Physical Education		
00	1000	300	720	17	Science		
00	1000	300	720	18	Social Studies		
00	1000	300	720	19	Vocal Music		
00	1000	300	720	20	Other		
Total Property/Equipment						0.0	0
*800 Other Objects (Other Goods & Services)							
Total Other Objects							
All Objects 100-800						31.5	1,257,591
Total School Instruction							