

MINUTES OF THE SENATE EDUCATION COMMITTEE

The meeting was called to order by Chairman Jean Schodorf at 1:35 p.m. on February 2, 2005, in Room 123-S of the Capitol.

Committee members absent:

Committee staff present: Kathie Sparks, Kansas Legislative Research Department
Shirley Higgins, Committee Secretary

Conferees appearing before the committee: David Carlson, School Financial Services Team, Wisconsin Department of Public Instruction

On behalf of Senator Dwayne Umbarger, Senator Schodorf requested the introduction of a bill concerning school districts. The bill would provide that the board of education of any school district which proposes to assign all pupils in one or more grade levels to one school building must adopt a resolution stating its intention. A public hearing on the proposal would be required after the adoption of the resolution.

Senator Vratil moved to introduce the bill, seconded by Senator Apple. The motion carried.

Report on the collection of school district financial data

Senator Schodorf informed the Committee that Representative Kathe Decker, who chairs the House Education Committee, recently attended a conference where David Carlson, Wisconsin Department of Public Instruction, demonstrated how Wisconsin collects data from school districts and makes it accessible to school personnel, state agency staff, and the public. Subsequently, Representative Decker asked Mr. Carlson to come to Kansas and present the information to the House and Senate Education Committees.

Mr. Carlson began his presentation by explaining that the Wisconsin School Aids Financial Reporting system (SAFR, pronounced "Sapphire") was designed to collect data for two major purposes – (1) to pay state aid and (2) to provide public information. He noted that the School Financial Services (SFS) Team is composed of 14 individuals whose primary responsibility is to pay \$4.6 billion state aid to school districts, and the team is known for its accuracy and customer service. He pointed out that Wisconsin's school finance system is significantly different from Kansas' system. Wisconsin's basic, underlying formula is called the "General Aid Formula," which is a tax base power equalizing formula that attempts to get at the premise that districts that spend at the same level will tax at the same rate. He outlined the Wisconsin categorical aid programs. He explained that Wisconsin's equalization aid and other aids are paid upon prior year data collected on the annual report (SAFR). He explained that, to ensure accuracy, equalization aid is calculated on district revenue/expenditure data verified by local auditing firms and by the SFS team. The SFS team certifies school district aid eligibility on October 15, and the district is then guaranteed that amount for the school year. He went on to say that SAFR collects school district financial data via the Internet, and it audits the data during submission. He noted that collecting data over the Internet is most efficient method, and it provides ease in reporting data for school districts. He explained that the SAFR program was developed by existing staff because additional resources were limited, and staff would be responsible for the yearly maintenance of the program. In addition, the SFS team strongly believed that the key to success would be how well it could communicate and train school district users with the new data submission application. In developing the SAFR program over a period of four years, the first step was to redesign the finance data chart of accounts and to expand the chart of accounts to reflect data in much greater detail. The second step was to identify the edits that would need to be captured in a "real time" auditing program. Mr. Carlson noted that a school district cannot submit their data until it passes all the edits. In conclusion, he reported that, in the first year, 98% of the school districts submitted their data within two weeks of the deadline. The Internet platform was down for only 30 minutes during the entire month-long reporting period. He noted that 12 of the 14 team members were trained to provide technical assistance to districts by telephone. However, requests for assistance were significantly less than expected, and only two team members per day were needed. To illustrate district users responses, he showed the Committee the Green Bay 2004-2005 school district budget report. The report, which was submitted in December, reflected the anticipated revenue and expenditures for the 2004-2005 school year. The data was used by the team to do aid projections for the following year. (Attachment 1)

CONTINUATION SHEET

MINUTES OF THE Senate Education Committee at 1:35 p.m. on February 2, 2005, in Room 123-S of the Capitol.

Mr. Carlson informed the Committee that the text of his SAFR power point presentation, information on the SFS Team, and background information on Wisconsin's system of school finance could be found at the following web site: www.dpi.state.wi.us/dpi/dfm/sfms/kansas.html. In addition, he distributed a copy of the resource web page for SAFR. (Attachment 2)

Senator Schodorf called attention to copies of samples of school district data found on the Kansas State Department of Education website under "Budget at a Glance" to which Dale Dennis, Deputy Commissioner, State Department of Education, referred at a previous meeting. (Attachment 3)

The meeting was adjourned at 2:30 p.m.

The next meeting is scheduled for February 3, 2004.

**SENATE EDUCATION COMMITTEE
GUEST LIST**

DATE: February 2, 2005

NAME	REPRESENTING
Ron Seaber	Heinhaus Firm
Bernie Koch	Wichita Area Chamber of Commerce
Courtney George	Gov's Office
TERRY HOLDREN	KANSAS FARM BUREAU
Vergil Peter	Ks. Dept. of Ed
Chris Clarke	Post Audit
Brenda Heafey	Leg Post Audit
Val DeFava	SPE
JOHN DOUGHERTY	ESU
BILL Bady	SFFF
Kim Hutz	USD 364
David Corbin	KAOR
Linda BRUNGARDT	K-NEA
Tom BRUNGARDT	KNEA
Paula Kaffka	Intern (Wysong)
Linda Schuss	USD 417
Marc Stratton	USD 320
Mary Richardson	USD 364
DOUG POWERS	USD 364 (Supt)

**TEXT OF POWER POINT PRESENTATION
DAVID CARLSON, DIRECTOR
SCHOOL FINANCIAL SERVICES TEAM
WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION**

SAFR
Pronounced "Sapphire"
School Aids Financial Reporting

Wisconsin Department of Public Instruction
David Carlson, Director
School Financial Services Team

School Financial Services Team
Who We Are:

14 Individuals

Former School District Staff,
Accountants,
Information Specialists

School Financial Services Team

What We Do

Responsible for the collection, auditing and calculation of 4.6 billion dollars of aid to school districts

SFS Team Reputation
Accuracy of Calculations of Aid and Revenue Limit

Collaboration with External Organizations such as WI Association of School Business Officials

Customer Service = "Same Day Service"

School Finance System
General Aid - Equalization Aid \$4.2 Billion

Tax Base Power Equalizing Formula Districts that spend at the same level will tax at the same rate

*Senate Education Committee
2-2-05
Attachment 1*

School Finance System
Categorical Aid (2004-2005)

Special Education (320 M)
SAGE (95 M)
Library (24.5 M)
Transportation (17.7 M)
State Tuition (9.7 M)

School Finance System
Equalization aid and other aids

Paid upon prior year data
Revenue and expenditure data collected on the Annual Report (SAFR)

School Finance System
Equalization Aid

District revenue/expenditure data verified by local auditing firms and SFS team

SFS team calculates and certifies school district aid eligibility on October 15

SAFR What It Is and What It Does

SAFR collects school district financial data via the Internet and audits the data during submission

Thousands of possible data accounts

Hundreds of built-in data edits

SAFR Development Begins With a Story

I skate to where the puck is going to be. *Wayne Gretzky quote.*

SAFR Development Premises

Use the Internet to collect school district financial data that is used in aid calculations

Efficiency

Ease of Reporting

SAFR Development Premises

Reduce the time from which data is originally submitted and audited to the time data is ready for aid calculations and public availability

SAFR Development Premises

Because additional resources would be limited, development would be done by existing staff

Original Development

Yearly Maintenance

SAFR Development Premises

Recognition that a key to success would be how well the SFS team would communicate and train school district users with the new data submission application.

SAFR - What Did We Do?

Began with a redesign of the finance data chart of accounts

SAFR - What Did We Do?

Identified the edits that would need to be captured in a “real time” auditing program

SAFR - What Did We Do?

Built a stable Internet based reporting platform that emphasized ease of data submission and durability

SAFR - What Did We Do?

Developed a comprehensive training program for district users

Measures of Success

All districts submitted data within two weeks of the deadline for submission. 98%

Internet platform was down for only 30 minutes during the month long data submission period.

Requested technical assistance provided during submission was significantly less than expected
2/12

District Users Responses

SAFR

Green Bay 2004-2005 Budget Report

Budget Report reflects district's anticipated revenue and expenditures and is used to do projections of following year aid eligibility.



Kansas State Legislature

February 2, 2005

Resource Web Page for SAFR (pronounced "sapphire") Presentation
David Carlson, School Services Team
Wisconsin Department of Public Instruction

Presentation

[SAFR Presentation](#) This link is the powerpoint presentation that was used for testimony to Kansas state legislative education committees.

[School Financial Services Team](#) This link is to the Wisconsin School Financial Services Team home webpage.

[School Finance Reporting Portal](#) This link is to the SAFR reporting application that districts use to report finance related data to the Department of Public Instruction.

[School Finance Data Warehouse](#) This is a link to the school finance data warehouse.

Background Information

[School Finance Overview](#) This is a link to an overview of Wisconsin's System of School Finance.

[School Finance Overview \(Detailed\)](#) This is a link to the Legislative Fiscal Bureau's information paper on Elementary and Secondary School Aids.

Contact Information

[Team Information](#) Use this link to contact team members electronically.

Updated February 1, 2005

Questions about this page should be directed to dpifin@dpi.state.wi.us



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Phone: 1-800-441-4563 (U.S. only) / 608-266-3390

Budget at a Glance

2004 - 2005



Valley Center

Senate Education Committee
2-2-05
Attachment 3

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**Summary of Total Expenditures By Function
(All Funds)**

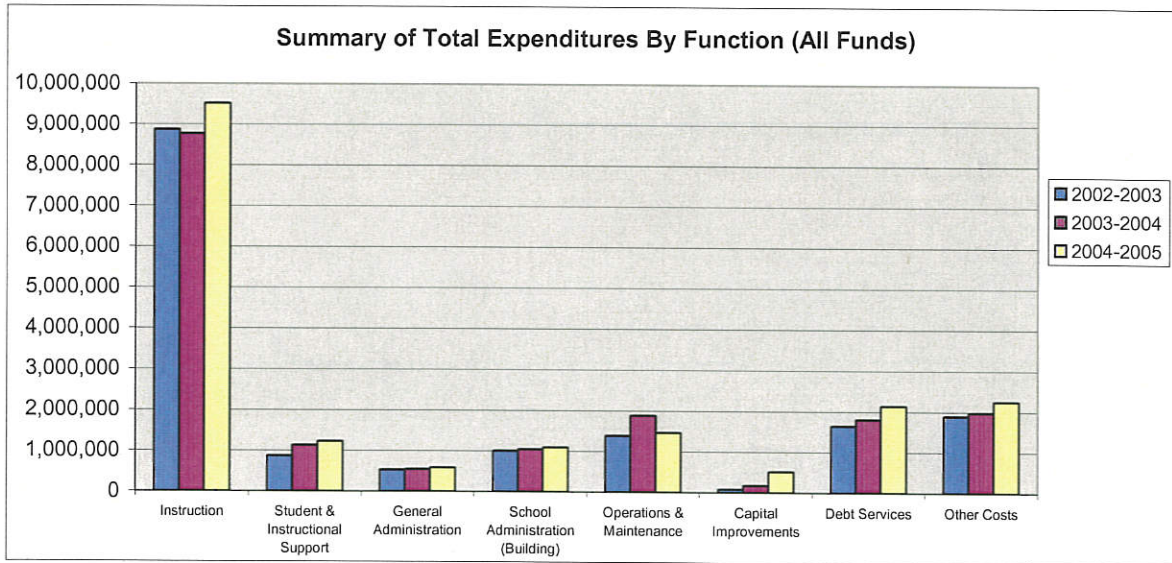
	2002-2003 Actual	% of Tot	2003-2004 Actual	% of Tot	% inc/ dec	2004-2005 Budget	% of Tot	% inc/ dec
Instruction	8,866,749	55%	8,765,198	51%	-1%	9,520,865	51%	9%
Student & Instructional Support	864,520	5%	1,134,856	7%	31%	1,228,323	7%	8%
General Administration	530,230	3%	545,993	3%	3%	582,152	3%	7%
School Administration (Building)	1,000,646	6%	1,043,616	6%	4%	1,090,429	6%	4%
Operations & Maintenance	1,381,542	9%	1,880,103	11%	36%	1,464,312	8%	-22%
Capital Improvements	80,264	0%	178,239	1%	122%	510,000	3%	186%
Debt Services	1,643,009	10%	1,797,278	10%	9%	2,136,019	11%	19%
Other Costs	1,885,087	12%	1,973,843	11%	5%	2,241,726	12%	14%
Total Expenditures	16,252,047	100%	17,319,126	100%	7%	18,773,826	100%	8%
Amount per Pupil	\$7,093		\$7,558		7%	\$8,238		9%

The funds that are included in the categories above are: General, Supplemental General, Bilingual Education, Capital Outlay, Driver Education, Extraordinary School Program, Summer School, Special Education, Technology Education, Vocational Education, School Retirement, Professional Development, Bond & Interest #1, Bond & Interest #2, No-Fund Warrant, Special Assessment, Parent Education, Technology Education, School Retirement, Student Materials Revolving & Textbook Rental, Gifts/Grants, KPERS Special Retirement Contribution, Contingency, Special Liability Expense, Federal Funds, Adult Education, Adult Supplemental Education, Area Vocational Education, and Special Education Coop.

Note: Percentages on charts are within +-1% due to rounding used. Pie graph percentages may differ from charts for this reason also.

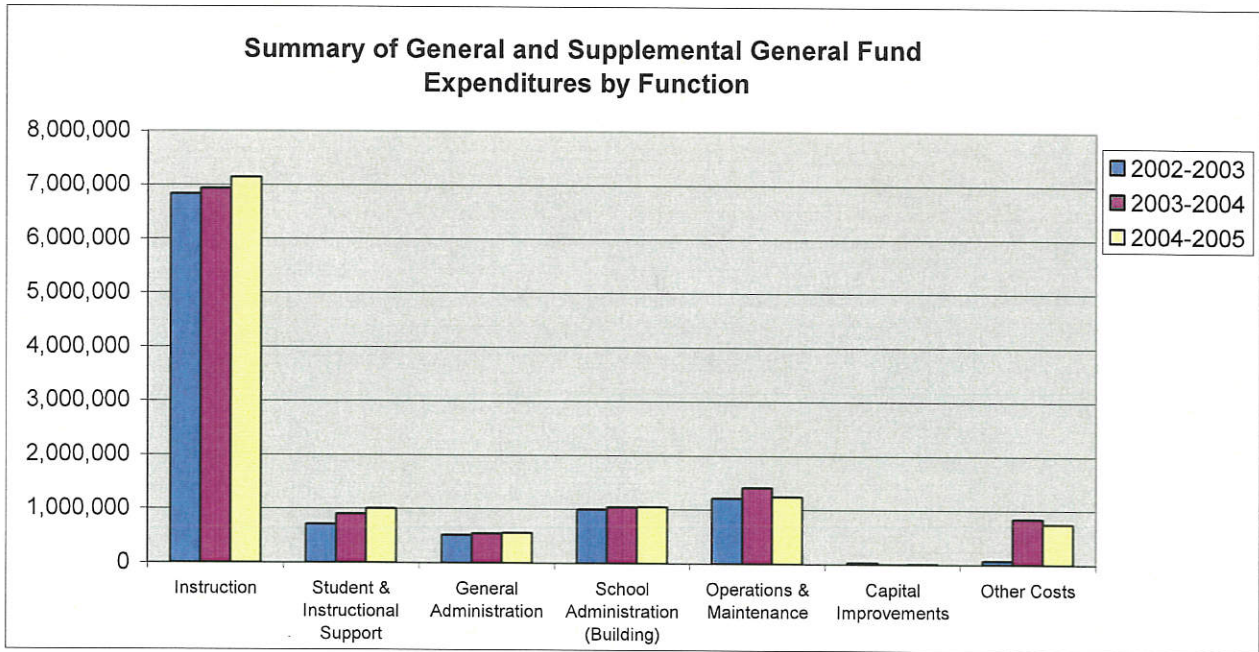
Further definition of what goes into each category:

- | | |
|---|---|
| Instruction - 1000 | Operations & Maintenance - 2600 |
| Student & Instructional Support - 2100 & 2200 | Other Costs - 2500, 2900 and 3000 and all others not included elsewhere |
| General Administration - 2300 | Capital Improvements - 4000 |
| School Administration (Building) - 2400 | Debt Services - 5100 Transfers - 5200 |



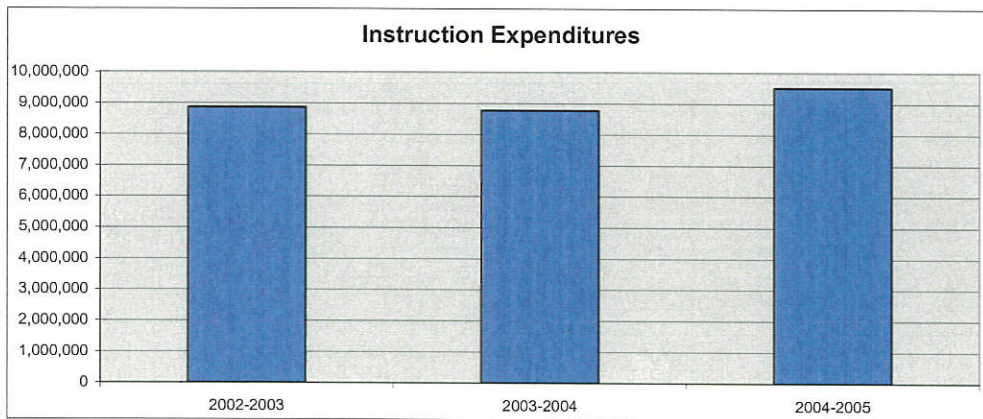
**Summary of General and Supplemental General Fund
Expenditures by Function**

	2002-2003 Actual	% of Tot	2003-2004 Actual	% of Tot	% inc/ dec	2004-2005 Budget	% of Tot	% inc/ dec
Instruction	6,834,267	66%	6,931,879	59%	1%	7,143,687	61%	3%
Student & Instructional Support	711,248	7%	905,150	8%	27%	1,006,150	9%	11%
General Administration	519,130	5%	545,993	5%	5%	555,900	5%	2%
School Administration (Building)	998,490	10%	1,042,311	9%	4%	1,048,700	9%	1%
Operations & Maintenance	1,213,880	12%	1,404,562	12%	16%	1,244,800	11%	-11%
Capital Improvements	30,770	0%	6,656	0%	-78%	10,000	0%	50%
Other Costs	72,991	1%	843,748	7%	1056%	751,750	6%	-11%
Total Expenditures	10,380,776	100%	11,680,299	100%	13%	11,760,987	100%	1%
Amount per Pupil	\$4,530		\$5,097		13%	\$5,161		1%



Instruction Expenditures (1000)

	2002-2003 Actual	2003-2004 Actual	% inc/ dec	2004-2005 Budget	% inc/ dec
General	5,605,251	5,852,830	4%	6,075,800	4%
Federal Funds	160,289	162,571	1%	143,059	-12%
Supplemental General	1,229,016	1,079,049	-12%	1,067,887	-1%
Bilingual Education	0	0	0%	0	0%
Capital Outlay	0	0	0%	75,000	0%
Driver Education	40,124	25,876	-36%	32,550	26%
Extraordinary School Program	0	0	0%	0	0%
Food Service	0	0	0%	0	0%
Professional Development	0	0	0%	0	0%
Parent Education Program	0	0	0%	0	0%
Summer School	7,416	23,142	212%	28,050	21%
Special Education	1,510,553	1,534,534	2%	1,695,494	10%
Technology Education	200,080				
Transportation	0				
Vocational Education	95,589	66,361	-31%	85,150	28%
Gifts/Grants	0	0	0%	0	0%
Special Liability	0	0	0%	0	0%
School Retirement	0	0	0%	0	0%
Extraordinary Growth Facilities	0	0	0%	0	0%
Special Reserve	0	0	0%		
KPERS Spec. Ret. Contribution				317,875	
Contingency Reserve	0	0	0%		
Text Book & Student Material	18,431	20,835	13%		
Bond & Interest #1	0	0	0%	0	0%
Bond & Interest #2	0	0	0%	0	0%
No-Fund Warrant	0	0	0%	0	0%
Special Assessment	0	0	0%	0	0%
Temporary Note	0	0	0%	0	0%
SUBTOTAL	8,866,749	8,765,198	-1%	9,520,865	9%
Enrollment (FTE)*	2,291.4	2,291.4	0%	2,278.9	-1%
Amount per Pupil	3,870	3,825	-1%	4,178	9%
Adult Education	0	0	0%	0	0%
Adult Supplemental Education	0	0	0%	0	0%
Area Vocational School	0	0	0%	0	0%
Special Education Coop	0	0	0%	0	0%
TOTAL	8,866,749	8,765,198	-1%	9,520,865	9%



NOTE: Gifts/Grants includes private grants and grants from nonfederal sources.

Amount per pupil excludes the following funds: Area Vocational School, Adult Education, Adult Supplemental Education and Special Education Coop.

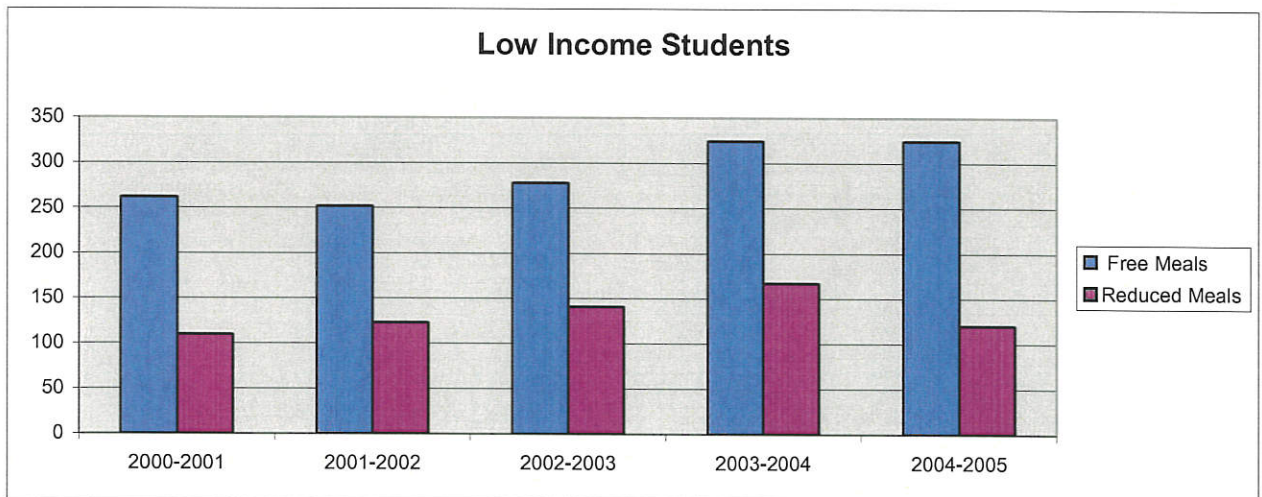
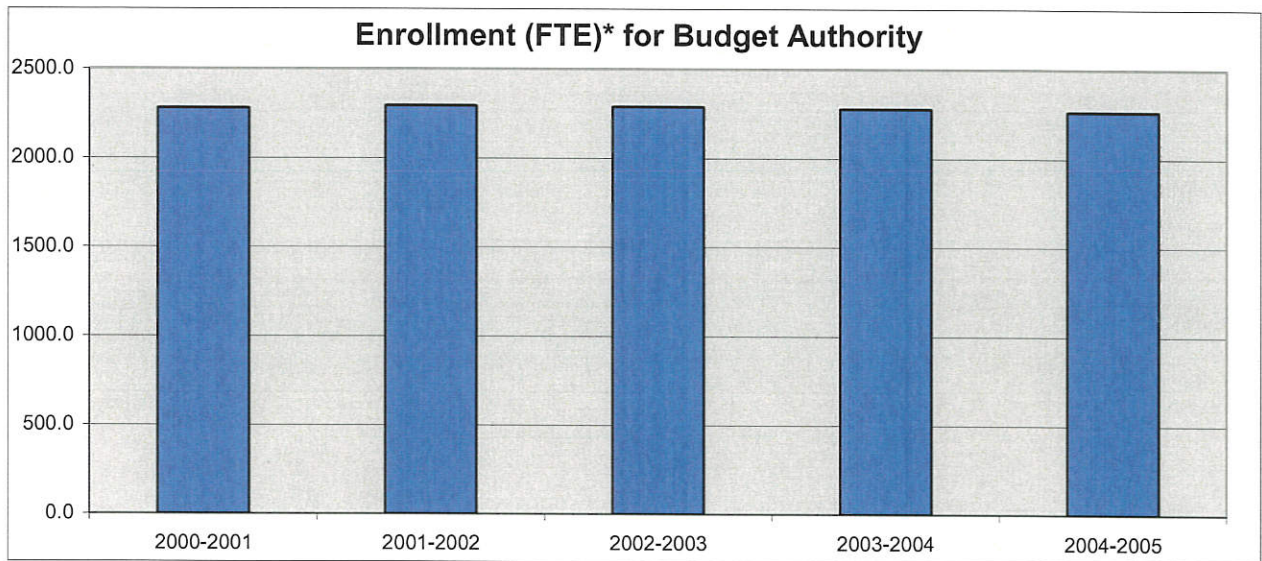
*Enrollment(FTE) include the enrollment of the district used for state aid and budget authority, and all other preschool enrollment and kindergarten students attending full time.

Sources of Revenue and Proposed Budget for 2004-05

Fund	2004-05		Estimated Sources of Revenue--2004-05				
	Amount Budgeted	July 1, 2004 Cash Balance	State	Federal	Interest	Local Transfers	Other
General	11,280,346	0	9,975,603	0		0	1,304,743
Supplemental General	2,820,087	337,462	1,353,924				1,128,701
Adult Education	0	0	0	0	0	0	0
Adult Supplemental Education	0	0			0	0	0
Bilingual Education	0			0	0	0	0
Capital Outlay	1,025,000	1,934,082		0	60,000	29,446	399,714
Driver Training	39,105	54,980	12,600		0	15,000	19,000
Extraordinary School Program	0	0			0	0	0
Food Service	1,061,700	186,022	10,665	276,988	0	180,000	587,845
Professional Development	20,000	36,119	0	0	0	20,000	0
Parent Education Program	0	0	0	0	0	0	0
Summer School	28,050	34,688		0	0	25,000	4,000
Special Education	1,888,994	395,712	0	0	0	1,900,000	0
Vocational Education	140,000			0	0	140,000	0
Area Vocational School	0	0	0	0	0	0	0
Special Liability Expense Fund	0	0				0	0
Special Reserve Fund							
Gifts and Grants	0	2,346					0
Textbook & Student Materials Revolving							
School Retirement	0	0			0		0
Extraordinary Growth Facilities	0	0					0
KPERS Special Retirement Contribution	478,005	0	478,005				
Bond and Interest #1	2,136,019	2,102,399	671,287		0		1,396,388
Bond and Interest #2	0	0	0		0		0
No Fund Warrant	0	0					0
Special Assessment		47643					10,524
Temporary Note	0	0			0		0
Coop Special Education	0	0	0	0	0	0	0
Federal Funds	155,966	0	xxxxxxxxxxx	155,966	xxxxxxxxxxxxx	xxxxxxxxxxxxx	xxxxxxxxxxxxx
SUBTOTAL	21,073,272	5,131,453	12,502,084	432,954	60,000	2,309,446	4,850,915
Less Transfers	2,309,446						
TOTAL Budget Expenditures	\$18,763,826						

Other Information

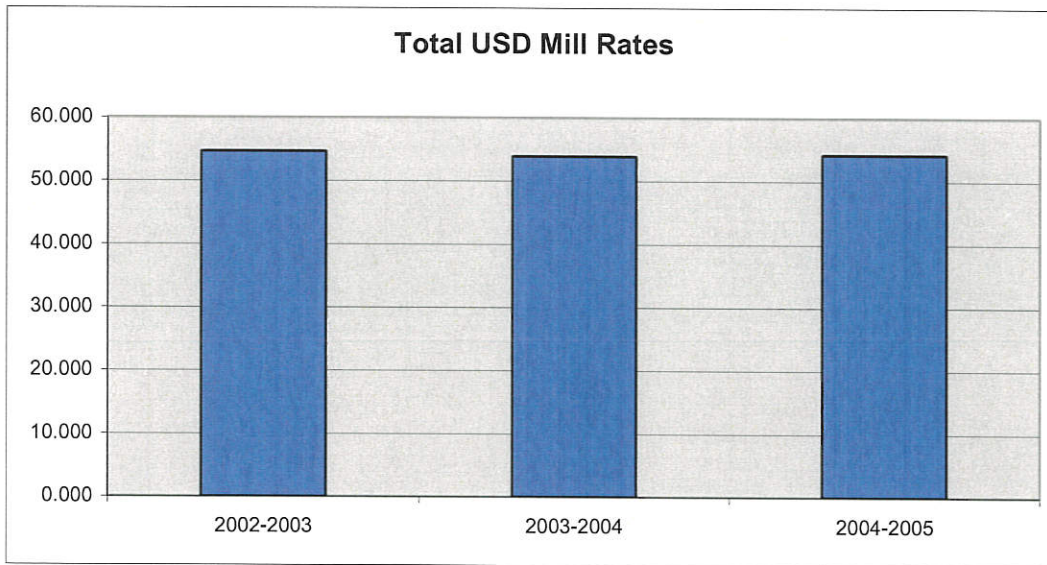
	2000-2001 Actual	2001-2002 Actual	% inc/ dec	2002-2003 Actual	% inc/ dec	2003-2004 Actual	% inc/ dec	2004-2005 Budget	% inc/ dec
Enrollment (FTE)*	2,282.8	2,295.2	1%	2,291.4	0%	2,278.9	-1%	2,265.0	-1%
Number of Students - Free Meals	262	252	-4%	278	10%	324	17%	324	0%
Number of Students - Reduced Meals	110	123	12%	141	15%	167	18%	120	-28%



*FTE for state aid and budget authority purposes for general fund.

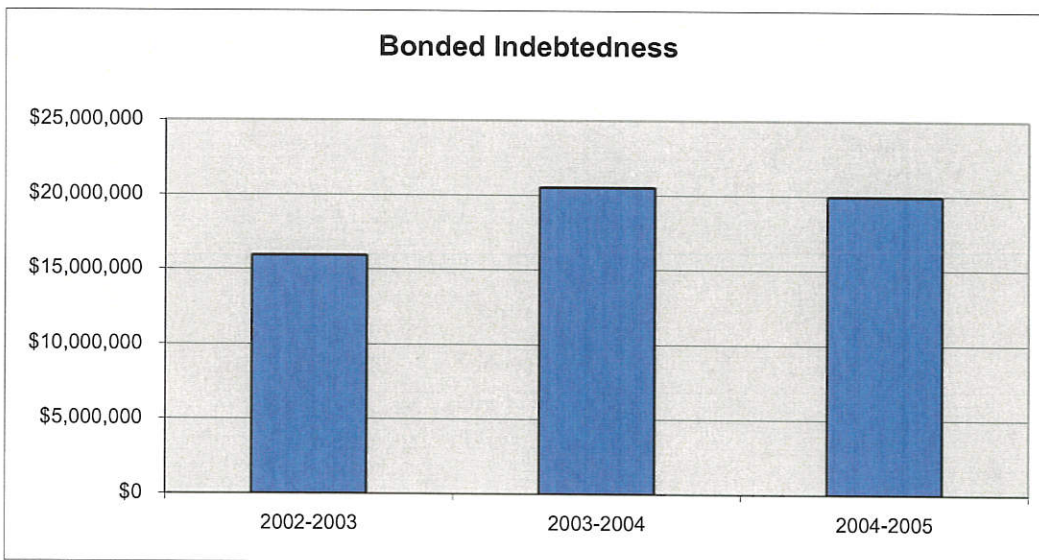
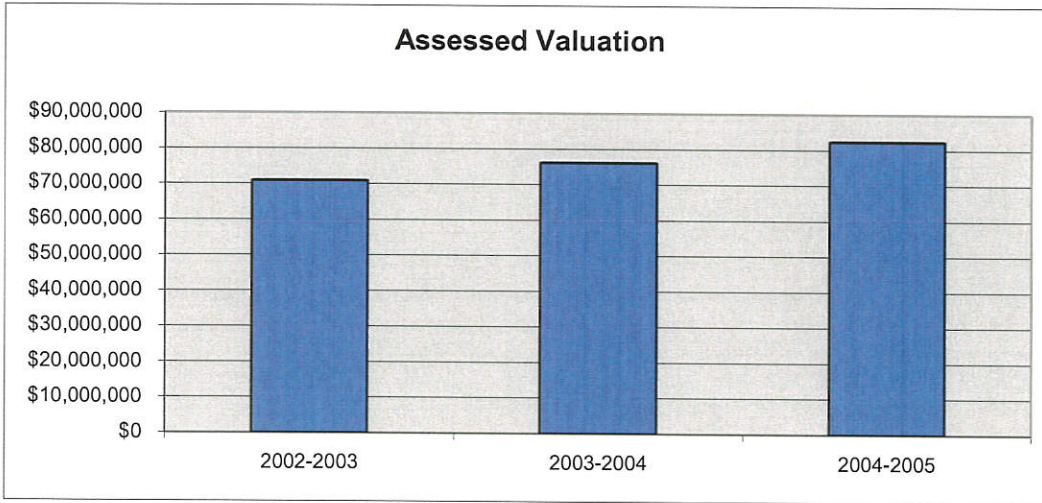
**Miscellaneous Information
Mill Rates by Fund**

	2002-2003 Actual	2003-2004 Actual	2004-2005 Budget
General	20.000	20.000	20.000
Supplemental General	14.550	12.082	13.615
Adult Education	0.000	0.000	0.000
Capital Outlay	3.996	4.000	4.000
Special Liability	0.000	0.000	0.000
School Retirement	0.000	0.000	0.000
Extraordinary Growth Facilities	0.000	0.000	0.000
Bond & Interest 1	15.927	17.668	16.480
Bond & Interest 2	0.000	0.000	0.000
No Fund Warrant	0.000	0.000	0.000
Special Assessment	0.150	0.159	0.121
Temporary Note	0.000	0.000	0.000
TOTAL USD	54.623	53.909	54.216
Historical Museum	0.000	0.000	0.000
Public Library Board	0.000	0.000	0.000
Public Library Board & Employee Benefits	0.000	0.000	0.000
Recreation Commission	3.996	4.000	4.000
Recreation Commission Employee Benefit	0.710	0.410	0.657
TOTAL OTHER	4.706	4.410	4.657



Other Information

	2002-2003 Actual	2003-2004 Actual	2004-2005 Budget
Assessed Valuation	\$70,946,837	\$76,111,112	\$82,355,498
Bonded Indebtedness	15,936,198	20,498,340	19,933,656



USD# 262
AVERAGE SALARY

	2002-03 Actual			2003-04 Actual			2004-05 Contracted		
	FTE	Total Salary	Average Salary	FTE	Total Salary	Average Salary	FTE	Total Salary	Average Salary
Administrators (Certified/Non-Certified)	11.0	822,415	74,765	11.0	861,288	78,299	11.0	893,202	81,200
Teachers (Full Time)	127.4	5,673,518	44,533	130.5	5,888,047	45,119	131.0	6,100,017	46,565
Other Certified (Licensed) Personnel	12.7	524,528	41,301	11.7	534,330	45,669	13.5	553,566	41,005
Classified Personnel	69.4	1,881,465	27,110	72.7	1,975,241	27,170	72.0	2,024,622	28,120
Substitutes/Temporary Help	XXXXXX	183,146	XXXXXXXXXX	XXXXXX	193,838	XXXXXXXXXX	XXXXXX	204,000	XXXXXXXXXX

DEFINITIONS

Administrators: *Certified (Licensed) - Superintendent; Assistant Superintendent; Administrative Assistants; Principals; Assistant Principals; Directors/Supervisors Special Education; Directors/Supervisors of Health; Directors/Supervisors of VocEd; Instructional Coordinators/Supervisors; All Other Directors/Supervisors.

** Non-Certified - Assistant Superintendents; Business Managers; Business Services (Directors/Coordinators/Supervisors); Food Service (Directors/Coordinators/Supervisors); Transportation (Directors/Coordinators/Supervisors); Custodial Maintenance (Directors/Coordinators/Supervisors); Other (Directors/Coordinators/Supervisors).

Teachers (Full Time Only): *Practical Arts/Vocational Teachers; Special Education Teachers; Prekindergarten Teachers; Kindergarten Teachers; Reading Specialists/Teachers; All Other Teachers.

Other Certified (Licensed) Personnel: Part-Time Teachers; Library Media Specialists; School Counselors; Clinical or School Psychologists; Speech Pathologists; Audiologists; Nurses (RN); Social Workers.

Classified Personnel: **Attendance Services Staff; Library Media Aides; Security Officers; Regular Education Teacher Aides; Secretarial/Clerical; Special Education Paraprofessionals; Nurses (LPN); Food Service Workers; Custodians, Bus Drivers.

Substitutes/Temporary: **Substitute Teachers, Coaching Assistants and other short term temporary help.

Total Salary: Report total salary including employee reduction plans**, supplemental and extra pay for summer school, and board paid fringe benefits (employer paid)****.

*FTE for Certified Administrators, Teachers and Other Certified (Licensed) Personnel is defined by the local school board. **Generally** FTE for teachers with a 9-10 month contract should be reported as 1.0; FTE for Principals with a 10-12 month contract should be reported as 1.0; FTE for Superintendents with a 12 month contract should be reported as 1.0.

**FTE of 1.0 for Non-Certified Administrators, Classified Personnel and Substitutes/Temporary should be based upon 2,080 hours.

***Employee reduction plans include benefits received by employees under a Section 125 Salary Reduction Agreement. Does not include social security, workers' compensation, and unemployment insurance.

****Board paid fringe benefits (employer paid) include group life, group health, disability income, accidental death and dismemberment, and hospital surgical, and/or medical expense insurance. Does not include social security, workers' compensation, and unemployment insurance.

KSDE Website Information Available

K-12 Statistics (Building, District or State Totals)

<http://www.ksde.org/k12/k12.html>

- Attendance / Enrollment Reports
- Staff Reports
- Graduates / Dropouts Reports
- Crime / Violence Reports

School Finance Reports and Publications

http://www.ksde.org/leaf/reports_and_publications/reports.html

- Certified Personnel
- Enrollment
- Dropouts
- Graduates
- Salary Reports

Kansas Building Report Card

<http://online.ksde.org/rcard>

- Attendance Rate
- Graduation Rate
- Dropout Rate
- School Violence
- Assessments
 - Reading
 - Mathematics
 - Writing
- Graduates Passing Adv. Science Courses
- Graduates Passing Adv. Math Courses