

Approved: 3.22.07  
Date

MINUTES OF THE HOUSE EDUCATION COMMITTEE

The meeting was called to order by Chairman Clay Aurand at 9:00 A.M. on March 15, 2007 in Room 313-S of the Capitol.

All members were present except:

Representative Benjamin Hodge- absent

Committee staff present:

Sharon Wenger, Kansas Legislative Research Department  
Michele Alishahi, Kansas Legislative Research Department  
Ashley Holm, Kansas Legislative Research Department  
Theresa Kiernan, Revisor of Statutes  
Janet Henning, Committee Assistant

Conferees appearing before the committee:

Dale Dennis, Interim Commissioner, Kansas Department of Education

Dale Dennis gave an overview of 'School Finance 101' to Committee members. (Attachments #1 - #6)

A brief question and answer session from 'authorized' Committee members was heard.

The meeting was adjourned at 9:57 AM. The next meeting is scheduled for Tuesday, March 20, 2007.

**USD Form 150  
2006-2007  
ESTIMATED LEGAL MAXIMUM GENERAL FUND BUDGET**

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

**General Fund Budget – Lines 1 through 15**

1. Estimated 9-20-2006 FTE enrollment (from Table I or Table IV) (Exclude 4 yr old at-risk FTE.)	=	<u>2,735.2</u>
2. Estimated 9-20-2006 4yr old at risk FTE enrollment (e) (Must be approved.) (At-risk students count as .5 FTE)	=	<u>50.0</u>
<u>50.0</u> + <u>0.0</u> (Table IV, Line 4)		
3. Total Estimated 9-20-2006 FTE Enrollment (Line 1 + Line 2)	=	<u>2,785.2</u>
4. Estimated low enrollment and high enrollment for districts. 9-20-2006 FTE enrollment (from line 3)	=	<u>83.4</u>
<u>2,785.2</u> x <u>0.029942</u> factor (from Table II or pages 5, 6)		
5. Estimated weighted bilingual education enrollment. 9-20-2006 bilingual FTE (a)	=	<u>21.4</u>
<u>54.2000</u> + <u>0.0000</u> (Table IV, Line 5) x 0.395		
6. Estimated weighted vocational education enrollment. 9-20-2006 vocational education FTE(b)	=	<u>87.7</u>
<u>175.3833</u> + <u>0.0000</u> (Table IV, Line 6) x 0.5		
7. Estimated weighted at-risk student enrollment(c). Number of eligible students that qualify for free lunches as of 9-20-2006	=	<u>389.2</u>
<u>1,400</u> + <u>0</u> (Table IV, Line 7) x 0.278		
8. Estimated High At-Risk Weighting. (Can only qualify for one of the following)		
District's calculated free lunch percentage:		
Line 7 total students eligible for Free Lunches / Line 3 = 1400 + 0 / 2785.2 = <b>50.3</b>		
District's calculated students per square mile:		
Line 3 / square miles in district = 2785.2 / 200 = <b>13.9</b>		
a. Number of students eligible for free lunch (at least 50%)	0.08 =	<u>112.0</u>
b. Number of students eligible for free lunches at 35.1% and 212.1 students per square mile.	0.08 =	<u>0.0</u>
c. Number of students eligible for free lunches (40-50%)	0.04 =	<u>0.0</u>
9. Estimated Non-Proficient student weighting. Number of non-proficient students.(	=	<u>10.6</u>
<u>1,385.2</u> x <u>0.2632</u> ) x .029		
Line 3 - Line 7 hdct (g)		
10. Estimated weighted FTE for new facilities. 9-20-2006 enrollment of students attending a new facility (d)	=	<u>0.0</u>
<u>0.0</u> + <u>0.0</u> (Table IV, Line 9) x 0.25		
11. Estimated weighted FTE for transportation. (Table III, Line 5)	=	<u>121.6</u>
12. Estimated ancillary facilities weighting. Amt approved by Board of Tax Appeal	=	<u>0.0</u>
<u>0</u> ÷ \$4,316		
13. Estimated Special Education weighting. Amount of Sp. Ed. Funding (f)	=	<u>517.4</u>
<u>2,232,975</u> ÷ \$4,316		
14. Estimated Declining Enrollment weighting. Amount of Tax Appeal + State Aid	=	<u>0.0</u>
<u>0</u> ÷ \$4,316		
15. Estimated 2006-2007 operating budget. (Lines 3 through 14)	=	<u>\$17,818,606</u>
<u>4,128.5</u> x \$4,316		

**Local Option Budget -- See Form 155**

- (a) FTE is computed by taking the total clock hours of bilingual students who are enrolled and attending in an approved bilingual class on 9-20-2006 and dividing by 6 (cannot exceed 6 hours for an individual student). Total clock hours 325.2 ÷ 6 = 54.2000 (Record on Line 5)
  - (b) FTE is computed by taking the total clock hours of vocational education students who are enrolled and attending in an approved vocational class on 9-20-2006 and dividing by 6 (cannot exceed 6 hours for an individual student). Total clock hours 1,052.3 ÷ 6 = 175.3833 (Record on Line 6)
  - (c) USD must have an approved at-risk pupil assistance plan for the school district.
  - (d) In order to access new facilities weighting, a USD must have adopted at least a 25% LOB.
  - (e) Four year old at risk students are counted as .5 FTE. USD must be approved by the Kansas State Department of Education.
  - (f) Comes from form 118 (line 19).
  - (g) 2004-05 Non Proficient percent (excluding free students) as calculated by KSDE.
- (NOTE: If September 20 falls on a weekend, the following Monday will be the official count date.)

House Education Committee  
Date: 3-15-07  
Attachment # 1

**TABLE I**

USD#

470

**Declining Enrollment Calculation**

1. September 20, 2005, FTE and February 20, 2006 FTE enrollment (Excludes 4 yr old at risk students.)	=	<u>2,704.1</u>
2. September 20, 2006, FTE enrollment (Excludes 4 yr old at risk students.)	=	<u>2,725.0</u>
3. 3 YR AVG FTE: ( $\frac{2,776.4}{(9/20/2004\ FTE)^*} + \frac{2,704.1}{(line\ 1)}$ )/3=	=	<u>2,735.2</u>
		(line 2) (goes to line 3)
* Excludes 4 yr old at risk students.		
4. FTE enrollment for budget purposes (higher of line 1, 2, or 3) (Goes to page 1, line 1 if no military provision; see Table IV.)	=	<u>2,735.2</u>

**TABLE II**

**Low and High Enrollment Weighting Factor**

**Enrollment of District**

0 - 99.9	1.014331
100 - 299.9	$\{[7337 - 9.655 (E - 100)] + 3642.4\} - 1$
300 - 1,636.9	$\{[5406 - 1.237500 (E - 300)] + 3642.4\} - 1$
1637 and over	0.029942

'E' is 9-20-2006 FTE Enrollment (from Page 1, line 3)

**EXAMPLE: (FTE of 954.0)**

$\{[5406 - 1.237500 (954.0 - 300)] + 3642.4\} - 1$   
 $\{[5406 - 1.237500 (654.0)] + 3642.4\} - 1$   
 $\{[5406 - 809.325] + 3642.4\} - 1$   
 {4597.675+3642.4} -1  
 1.261991-1  
 0.261991

FOR COMPUTED FACTORS  
 SEE 2006-2007 LOW ENROLLMENT  
 AND HIGH ENROLLMENT FACTOR  
 TABLE (PAGES 5 AND 6)

**TABLE III**

**Transportation Weighting**

1. Area of district in square miles 9-20-2006.	=	<u>200.0</u>
2. All public pupils transported or for whom transportation is being made available 9-20-2006 who reside in the district 2.5 miles or more (Estimated)	<u>835.0</u> + <u>0.0</u> (Table IV) =	<u>835.0</u>
	(Line 8)	
3. Index of density = Line 2 <u>835.0</u> divided by Line 1 <u>200.0</u>	=	<u>4.18</u>
4. Using index of density (Line 3), determine amount from density table on attached pages 7 and 8.	=	<u>0.1456</u>
5. Estimated weighted FTE for transportation. 9-20-2006 number of resident students over 2.5 miles (line 2) <u>835.0</u> x <u>0.1456</u> factor (Line 4) (to Line 9, Page 1)	=	<u>121.6</u>

**TABLE IV**  
**House Bill 2059 - Military Provision**

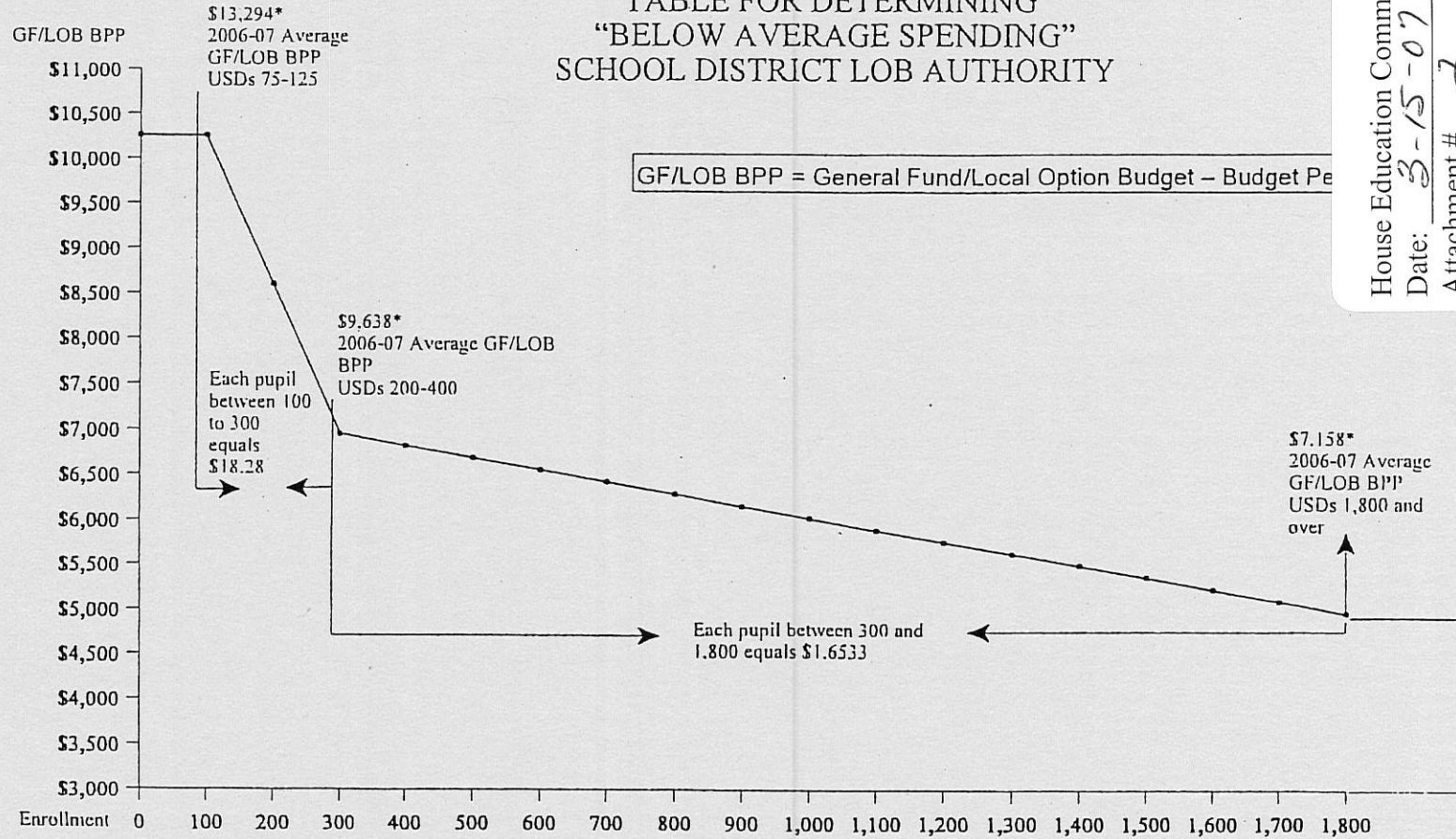
USD# 470

1. Estimated Adjusted 9-20-2006 FTE (Table 1, Line 4, Form 150)		=	<u>2,735.2</u>
2. Estimated 2-20-2007 FTE (excludes 4 yr old at risk students) of new students of military families, not enrolled on 9-20-2006 (Must be at least 25 FTE or 1% of Line 1. If it doesn't meet criteria then calculates zero.)	<u>0.0</u>	=	<u>0.0</u>
3. Estimated FTE Enrollment count for 2006-2007 (Line 1 + Line 2) to Line 1, Form 150		=	<u>2,735.2</u>
<b>Number of students in Line 2 with the following weighting factors:</b>			
4. Estimated 2-20-2007 4yr old FTE (add to Line 2, Form 150)		=	<u>0.0</u>
5. Estimated weighted bilingual education enrollment. 2-20-2007 bilingual FTE (a) (add to Line 5, Form 150)	<u>0.0000</u> x 0.395	=	<u>0.0</u>
6. Estimated weighted vocational education enrollment. 2-20-2007 vocational education FTE (b) <u>0.0000</u> x 0.5 (add to Line 6, Form 150)		=	<u>0.0</u>
7. Estimated weighted at-risk student enrollment ( c). Number of students eligible that qualify for free lunches as of 2-20-2007 <u>0</u> x 0.278 (add to Line 7, Form 150)		=	<u>0.0</u>
8. Estimated 2-20-2007 FTE of new students of military families, not enrolled on 9-20-2006 transported or for whom transportation is being made available 2-20-2007 who reside in the district 2.5 miles or more (goes to Table III, Line 2, Form 150)		=	<u>0.0</u>
9. Estimated weighted FTE for New Facilities (d) (add to Line 10, Form 150)	FTE <u>0.0</u> x 0.25	=	<u>0.0</u>

- (a) FTE is computed by taking the total clock hours of bilingual students who are enrolled and attending in an approved bilingual class on 2-20-2007 and dividing by 6 (cannot exceed 6 hours for an individual student). Total clock hours 0.0 ÷ 6 = 0.0000 (Record on Line 5)
- (b) FTE is computed by taking the total clock hours of vocational students who are enrolled and attending in an approved vocational class on 2-20-2007 and dividing by 6 (cannot exceed 6 hours for an individual student). Total clock hours 0.0 ÷ 6 = 0.0000 (Record on Line 6)
- (c) USD must have an approved at-risk pupil assistance plan for the school district.
- (d) In order to access new facilities weighting, a USD must have adopted at least a 25% LOB.

1-3

EXPLANATION  
 2006-07 SCHOOL YEAR  
 TABLE FOR DETERMINING  
 "BELOW AVERAGE SPENDING"  
 SCHOOL DISTRICT LOB AUTHORITY



House Education Committee  
 Date: 3-15-07  
 Attachment # 2

EXAMPLE

ESTIMATED COST OF SELECTED STATE AID PROGRAMS  
2006-07 THROUGH 2008-09

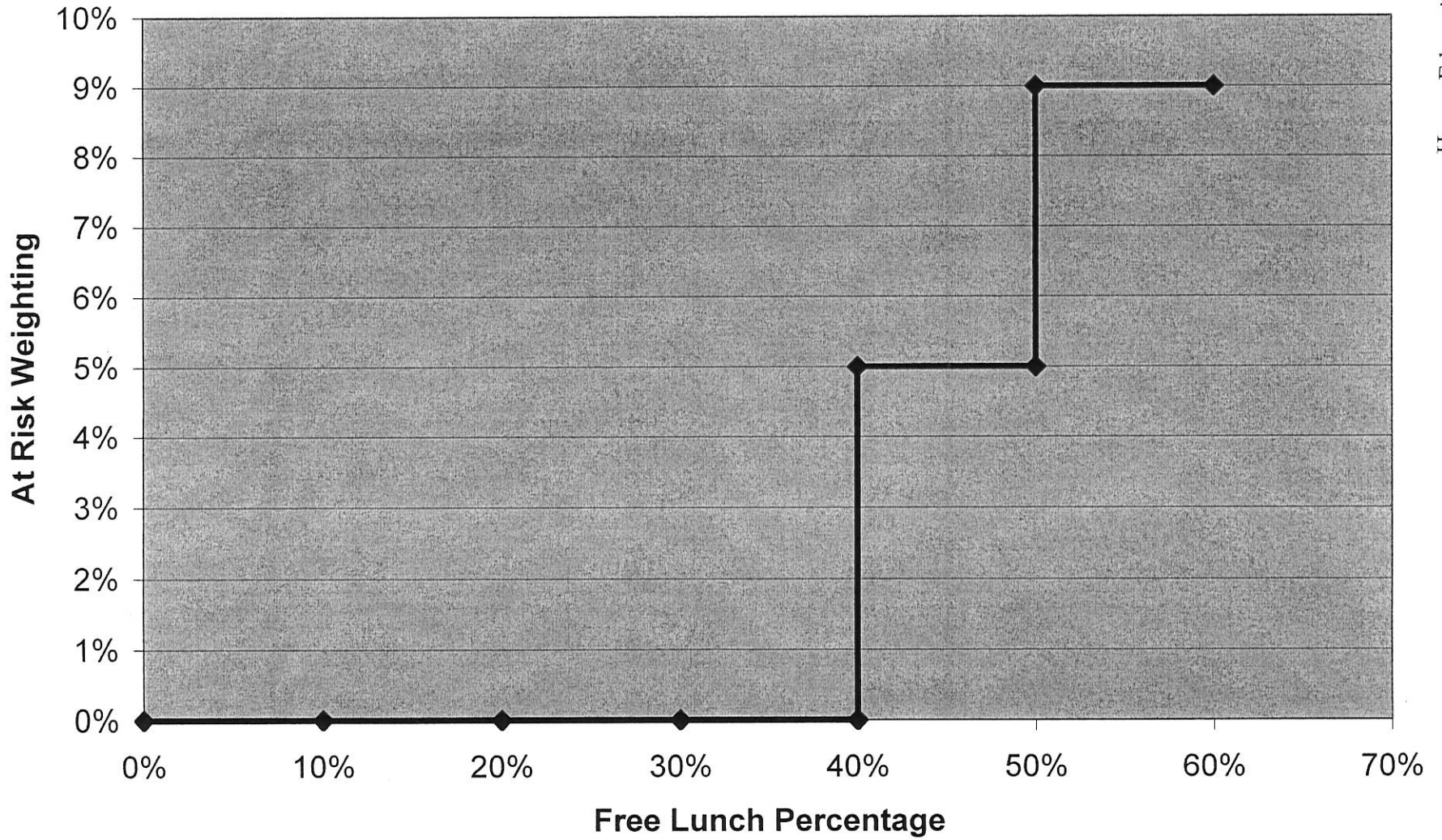
Program	Weighting Factor (Current Law)	2006-07	Difference	Cost	2007-08	Difference	Cost	2008-09	Difference	Cost
Base State Aid Per Pupil	\$ 4,257	\$ 4,316	\$ 59	\$ 33,450,000	\$ 4,374	\$ 58	\$ 33,800,000	\$ 4,433	\$ 59	\$ 34,000,000
At-risk	.193	.278	.085	49,350,000	.378	.100	58,000,000	.456	.078	45,200,000
High-Density At-Risk*	0	0		22,700,000			3,400,000			3,500,000
Non-Proficient At-Risk**	0	.029	.029	10,000,000						
High Enrollment Equalization (Correlation Wtg.)	1,662	1,637	25	11,700,000	1,622	15	6,800,000			
Special Education (Excess cost)	89.3%	92.0%	2.7	30,300,000	92.0%	0	25,000,000	92.0%	0	25,000,000
Supp. General State Aid (LOB)	27%	30%	3.0%	37,000,000	31%	1.0%	22,000,000	31%	0%	15,000,000
TOTAL				\$ 194,500,000			\$ 149,000,000			\$ 122,700,000

3-15-07  
Attachment # 2

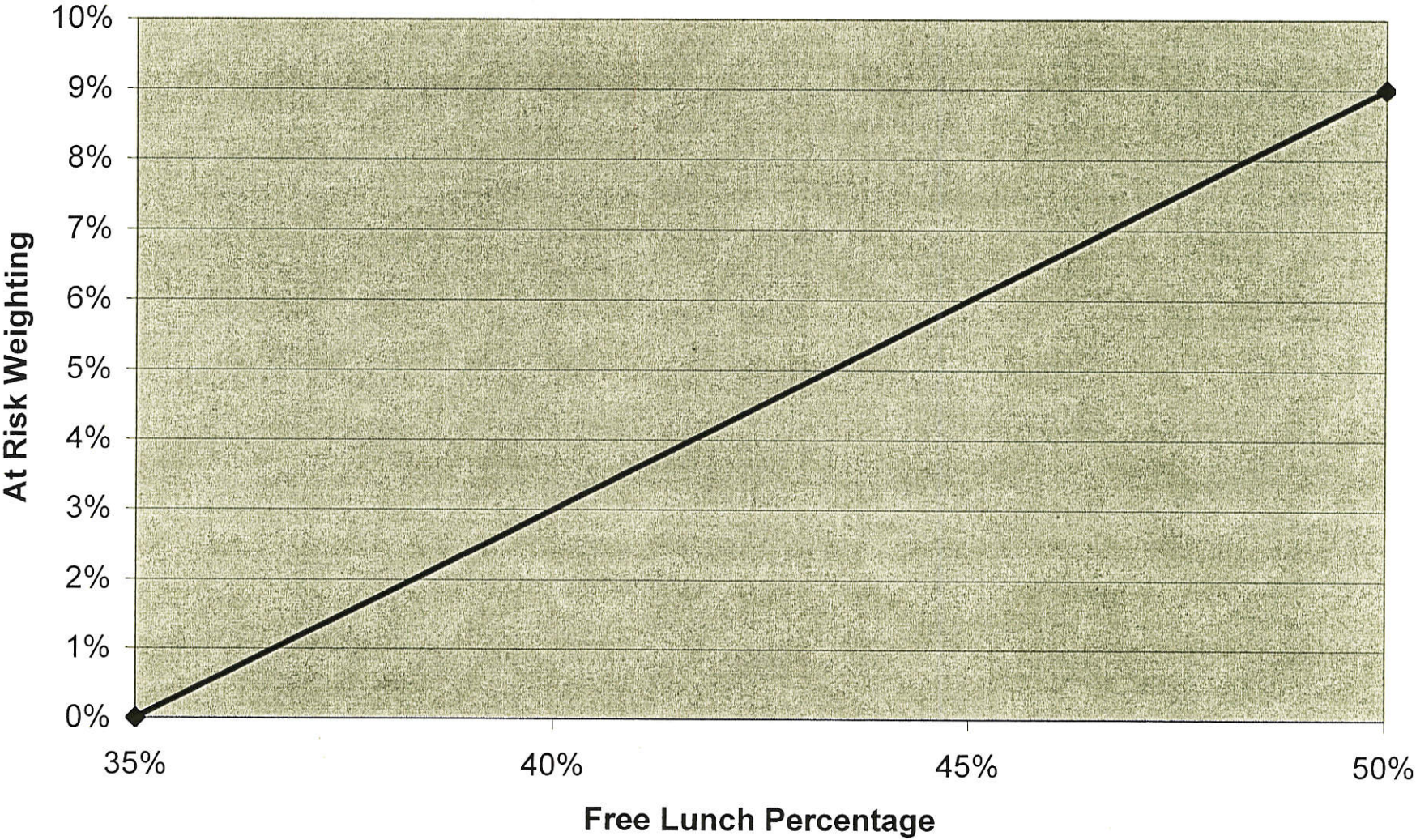
\*School districts that have free meal percentages between 40.0 and 49.9 percent will receive an additional weighting of four percentage points and districts with 50 percent or more free meals will receive an additional weighting of eight percentage points for 2006-07; for 2007-08, five percent and nine percent; and for 2008-09, six percent and ten percent. Districts with a density of 212.1 students per square mile and a free lunch rate of 35.1 percent and above would receive .08 weighting in 2006-07; .09 weighting in 2007-08; and .10 weighting in 2008-09.

\*\*Funding for students below proficient in math or reading that are not on free lunch. Computed on a percentage of students below proficient divided by the total number of students taking the test and applying the percentage to the total school district enrollment, excluding free lunch students. The weighting is .029.

### High Density At Risk (Current Law)



# High Density At Risk (Proposed)



House Education Committee  
Date: 3-15-07  
Attachment # 5



**FORM 155  
2006-2007 LOCAL OPTION BUDGET**

**LOB AUTHORITY DUE TO RESOLUTIONS IN PRIOR YEARS (2005-2006 AND BEFORE)**

- 1. Authorized percent of LOB in 1996-97 (GRANDFATHER PROVISION): 10.00 %  
School year expires/expired 1996-1997 (see attached pages)..... AT Prior yr phase down..... = 10.00 %
- 2. Authorized percent of LOB due to a resolution published and approved  
PRIOR 7/1/97 and still effective for 2006-2007 school year..... Expires 0 = 0.00 %
- 3. Authorized percent of LOB due to a resolution published and approved  
AFTER 7/1/97 and still effective for 2006-2007 school year. ....\*\*\* Expires 2008-2009 = 25.00 %
- 3a. INCREASE to the resolution adopted in Line 3 above.  
Must be effective for 2006-2007 school year. .... Expires 0 = 0.00 %
- 4. AUTHORIZED PERCENT OF LOB DUE TO PRIOR RESOLUTIONS  
((HIGHER OF 1 OR 2) + 3 + 3A) ..... (Cannot exceed 27%)..... = 27.00 %

**IN LIEU OF LOB AUTHORITY DUE TO RESOLUTIONS IN PRIOR YEARS**

- 5. Authorized percent of LOB in LIEU of a previous resolution which has expired.  
Approved for 2005-2006 and must be effective for 2006-2007 school year..... = 0.00 %
- 5a. INCREASE to the resolution adopted in line 5 above.  
Approved for 2005-2006 and must be effective for 2006-2007 school year..... = 0.00 %

**AUTHORITY DUE TO RESOLUTIONS IN PRIOR YEARS**

- 6. AUTHORIZED PERCENT of LOB DUE TO PRIOR RESOLUTIONS (HIGHER OF 4 OR (5+5A))  
(Cannot exceed 27%)..... = 27.00 %

**LOB AUTHORITY DUE TO SPENDING UNDER THE AVERAGE 2005-2006**

- 7. LOB percent authorized for 2005-2006 under average (see attached pages) ..... = 14.53 %

**TOTAL AUTHORITY FOR PRIOR YEARS**

- 8. 2005-2006 TOTAL Authorized LOB percentage (If Line 5=0, use Line 6 + Line 7. Otherwise use Line 6)..... = 27.00 %

**LOB AUTHORITY DUE TO SPENDING UNDER THE AVERAGE 2006-2007**

- 9. 2005-2006 General Fund ..... \$ 16,208,953
- 10. 2005-2006 LOB (Amount authorized) (Line 8 X Line 9) ..... \$ 4,376,417
- 11. TOTAL (General Fund + LOB) (Line 9 + Line 10) ..... \$ 20,585,370
- 12. 9/20/2005 FTE enrollment (includes 2/20/2006 military enrollment).....FTE 2,751.6
- 13. Budget per pupil (Line 11 / Line 12) ..... \$ 7,481.24
- 14. State Average Budget per pupil (see Table 1) ..... \$ 7,158.00
- 15. Difference of budget per pupil (Line 14 - Line 13) (If negative put in zero)..... \$ 0.00
- 16. Potential LOB authority [Line 15 x Line 12 (FTE)]..... \$ 0

*3-15-07  
Attachment #6*

17. Potential LOB authority percent (Line 16 / Line 9) (round to 2 decimal places) ..... = 0.00 %
18. LOB authority under this provision for 2006-2007 (Line 17 x 100%)  
(round to 2 decimal places)..... = 0.00 %
19. 2006-2007 Authorized LOB percent due to spending under average (Line 7 + Line 18)  
(cannot exceed 30%) ..... = 14.53 %

**GRANDFATHER CLAUSE FOR USD'S SPENDING OVER AVERAGE**

20. Adjustment due to phase-down of 1996-97 LOB authority (If Line 19 is EQUAL to Zero,  
Multiply Line 1 X \_\_\_\_\_ %\*) -- Otherwise if Line 19 GREATER than  
Zero use Line 1)..... = 10.00 %

**LOB AUTHORITY DUE TO RESOLUTIONS BEGINNING IN 2006-2007**

21. Authorized percent of LOB due to a NEW resolution published and approved beginning  
with the 2006-2007 school year. (Max 30%) School year it expires\*\*\* ..... = 0.00 %
22. Added percent of LOB due to an INCREASE to a resolution adopted in (Line 3+3A).  
Effective in the 2006-2007 school year. School year it expires ..... = 0.00 %
23. IN LIEU OF percent of LOB due to a NEW resolution published and approved beginning  
with the 2006-2007 school year. (Max 30%) School year it expires ..... = 0.00 %
24. IN LIEU OF percent of LOB due to an INCREASE to a resolution adopted in (Line 5+5A).  
Effective in the 2006-2007 school year. School year it expires ..... = 0.00 %

**LOB AUTHORITY FOR 2006-2007 \*\*CANNOT EXCEED 30%\*\***

25. Line 2 OR Line 20 Whichever is Higher (cannot exceed 25%)..... = 10.00 %
26. Line 5 0.00 % + Line 5A 0.00 % + Line 24 0.00 %  
OR Line 23 0.00 % (Whichever is higher)..... = 0.00 %
27. Line 3 25.00 % + Line 3A 0.00 % + Line 19 14.53 %  
+ Line 21 0.00 % + Line 25 10.00 %..... = 30.00 %
28. Line 3 25.00 % + Line 3A 0.00 % + Line 19 14.53 %  
+ Line 22 0.00 % + Line 25 10.00 %..... = 30.00 %
29. LOB Percentage authority for 2006-2007 (higher of Lines 26, 27 or 28) ..... = 30.00 %
30. COMPUTED LOB FOR 2006-2007  
(2006-2007 General Fund \$ 17,818,606 X Line 29) ..... \$ 5,345,582
31. ADOPTED LOB FOR 2006-2007 IF LESS THAN Line 30 ..... \$ 5,167,396

\* If expired PRIOR to 2006-2007 school year use 80% otherwise use 100%

\*\*\* If resolution is continuous and permanent use 9999-9999.

**Table 1**

0 - 99.9	\$13,294
100 - 299.9	\$13,294 - 18.28 (**E - 100)
300 - 1,799.9	\$9,638 - 1.6533 (**E - 300)
1,800 and over	\$7,158

\*\*E is defined as 9/20/2005 FTE enrollment (does not include declining enrollment amount). (Includes 4 yr old at-risk students.)

6-2