

MINUTES OF THE HOUSE EDUCATION COMMITTEE

The meeting was called to order by Chairman Clay Aurand at 9:05 A.M. on February 26, 2008 in Room 313-S of the Capitol.

All members were present except:  
Pat Colloton- excused  
Barbara Craft- excused

Committee staff present:  
Theresa Kiernan, Office of Revisor of Statutes  
Dianne Rosell, Office of Revisor of Statutes  
Dale Dennis, Kansas State Department of Education  
Martha Dorsey, Kansas Legislative Research Department  
Sharon Wenger, Kansas Legislative Research Department  
Janet Henning, Committee Assistant

**HB 2606: Schools; special education; catastrophic aid, amount**

Chairman Aurand told Committee members this bill came from the 2010 Commission recommendation and the Kansas State Department of Education had mentioned that over time, since implementation of the school finance act, the original \$25,000, that was put in place in terms of a baseline for catastrophic aid, had never been changed. And roughly, due to inflation this would be \$36,000 now. So the 2010 Commission forwarded this on to the Legislative Education Planning Committee (LEPC) and it came about in an LEPC bill.

Chairman Aurand referred to the computer printout regarding catastrophic state aid and told Committee members this handout provides the total cost per student eligible for catastrophic aid and total for each school district less \$25,000 as provided by law and the estimated state aid received at 75 percent of entitlement. (Attachment # 1)

Representative Horst moved to amend the bill on line 24, page 1, to read "the base amount shall be \$30,000" instead of \$36,000. Representative Storm seconded the motion. After a discussion of the bill, the motion carried. A division was called with 10 - yes and 9 - no.

Representative Otto moved to table HB 2606. The motion was seconded by Representative Loganbill. The motion carried.

**HB 2870: School districts; authorizing pay differential for certain teachers**

Theresa Kiernan gave an explanation of HB 2870 and amendments to Committee members. (Attachments # 2 and 3)

Chairman Aurand moved to amend the bill by striking the provision authorizing districts to pay employment incentives or retention bonuses since that authority already exists under KSA 72-8246. The motion was seconded by Representative Faber. After discussion by Committee members, the motion carried. A division was called and the vote was 13 - yes and 6 - no.

Representative Otto moved to amend the bill which reads "which pays a teacher who is endorsed" and include the wording "and teaching in" on line 4 of the proposed amendment. Chairman Aurand seconded the motion. The motion carried.

Chairman Aurand moved to add an amendment to convert the funding of the Mentor Teacher Program from a grant program to a weighting under the School Finance Law. The motion was seconded by Representative Storm. The motion carried.

Representative Otto moved to put a sunset of 2020 on the bonus section of the bill. Representative Horst seconded the bill. The motion failed.

Representative Rhoades moved to place a five year sunset (making it 2013) on the bonus section of the bill. Representative Horst seconded the bill. The motion failed.

Representative Storm moved that HB 2870 be passed favorably as amended. The motion was seconded by Representative Wolf. The motion carried. Division was called with 10 members voting 'yes' and 9 members voting 'no.

Scott Frank, Legislative Post Audit, gave an overview illustrating the impact of Revenue Neutral Medicaid Replacement Aid on the Statewide special Education Funding Calculation. (Attachment #4)

The meeting was adjourned at 10:30 A.M. The next meeting is scheduled for February 27, 2008.



## Division of Fiscal and Administrative Services

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January 24, 2008

TO: House Education Committee

FROM: Dale M. Dennis, Deputy  
Commissioner of Education

SUBJECT: Catastrophic State Aid

As per your request, attached is a computer printout (SF8011) which provides the total cost per student eligible for catastrophic aid and total for each school district less \$25,000 as provided by law and the estimated state aid received at 75 percent of entitlement.

We hope this information will be helpful to you.

### COLUMN EXPLANATION

Column	1 --	2006-07 Total cost for each student eligible for catastrophic state aid
	2 --	2006-07 Total cost less \$25,000
	3 --	2006-07 Catastrophic state aid (75 percent of Column 2)

Catastrophic State Aid by School District, By Student						
				Col 1	Col 2	Col 3
LEA	County	District	Student Count	FY07 Catastrophic Total	FY07 Total Minus \$25,000	FY07 Catastrophic Aid_75pct
229	Johnson	Blue Valley	1	57,407	32,407	24,305
229	Johnson	Blue Valley	2	43,717	18,717	14,038
229	Johnson	Blue Valley	3	83,711	58,711	44,033
229	Johnson	Blue Valley	4	36,586	11,586	8,690
229	Johnson	Blue Valley	5	33,820	8,820	6,615
229	Johnson	Blue Valley	6	49,034	24,034	18,026
229	Johnson	Blue Valley	7	47,697	22,697	17,023
229	Johnson	Blue Valley	8	41,916	16,916	12,687
229	Johnson	Blue Valley	9	26,303	1,303	977
229	Johnson	Blue Valley	10	30,509	5,509	4,132
229	Johnson	Blue Valley	11	31,185	6,185	4,639
229	Johnson	Blue Valley	12	44,314	19,314	14,486
229	Johnson	Blue Valley	13	50,377	25,377	19,033
229	Johnson	Blue Valley	14	53,848	28,848	21,636
229	Johnson	Blue Valley	15	26,047	1,047	785
229	Johnson	Blue Valley	16	33,714	8,714	6,536
229	Johnson	Blue Valley	17	47,093	22,093	16,570
229	Johnson	Blue Valley	18	48,534	23,534	17,651
229	Johnson	Blue Valley	19	57,660	32,660	24,495
229	Johnson	Blue Valley	20	42,978	17,978	13,484
229	Johnson	Blue Valley	21	43,528	18,528	13,896
229	Johnson	Blue Valley	22	29,154	4,154	3,116
229	Johnson	Blue Valley	23	46,451	21,451	16,088
229	Johnson	Blue Valley	24	33,820	8,820	6,615
229	Johnson	Blue Valley	25	31,930	6,930	5,198
229	Johnson	Blue Valley	26	58,178	33,178	24,884
229	Johnson	Blue Valley	27	32,603	7,603	5,702
229	Johnson	Blue Valley	28	32,053	7,053	5,290
229	Johnson	Blue Valley	29	47,697	22,697	17,023
229	Johnson	Blue Valley	30	50,487	25,487	19,115
229	Johnson	Blue Valley	31	50,487	25,487	19,115
229	Johnson	Blue Valley	32	43,041	18,041	13,531
229	Johnson	Blue Valley	33	48,534	23,534	17,651
229	Johnson	Blue Valley	34	47,645	22,645	16,984
229	Johnson	Blue Valley	35	33,714	8,714	6,536
229	Johnson	Blue Valley	36	31,376	6,376	4,782
229	Johnson	Blue Valley	37	48,732	23,732	17,799
229	Johnson	Blue Valley	38	33,235	8,235	6,176
229	Johnson	Blue Valley	39	33,820	8,820	6,615
229	Johnson	Blue Valley	40	43,041	18,041	13,531
229	Johnson	Blue Valley	41	33,966	8,966	6,725
229	Johnson	Blue Valley	42	27,454	2,454	1,841
229	Johnson	Blue Valley	43	55,444	30,444	22,833
229	Johnson	Blue Valley	44	51,327	26,327	19,745
229	Johnson	Blue Valley	45	37,165	12,165	9,124
229	Johnson	Blue Valley	46	50,008	25,008	18,756
229	Johnson	Blue Valley	47	44,931	19,931	14,948
229	Johnson	Blue Valley	48	33,783	8,783	6,587

Catastrophic State Aid by School District, By Student						
				Col 1	Col 2	Col 3
LEA	County	District	Student Count	FY07 Catastrophic Total	FY07 Total Minus \$25,000	FY07 Catastrophic Aid_75pct
229	Johnson	Blue Valley	49	40,753	15,753	11,815
229	Johnson	Blue Valley	50	46,728	21,728	16,296
229	Johnson	Blue Valley	51	36,615	11,615	8,711
229	Johnson	Blue Valley	52	41,241	16,241	12,181
229	Johnson	Blue Valley	53	42,300	17,300	12,975
229	Johnson	Blue Valley	54	31,059	6,059	4,544
229	Johnson	Blue Valley	55	43,041	18,041	13,531
229	Johnson	Blue Valley	56	29,117	4,117	3,088
229	Johnson	Blue Valley	57	41,271	16,271	12,203
229	Johnson	Blue Valley	58	36,586	11,586	8,690
229	Johnson	Blue Valley	59	31,930	6,930	5,198
229	Johnson	Blue Valley	60	46,308	21,308	15,981
229	Johnson	Blue Valley	61	65,264	40,264	30,198
229	Johnson	Blue Valley	62	40,603	15,603	11,702
229	Johnson	Blue Valley	63	44,931	19,931	14,948
229	Johnson	Blue Valley	64	31,059	6,059	4,544
229	Johnson	Blue Valley	65	54,589	29,589	22,192
229	Johnson	Blue Valley	66	34,838	9,838	7,379
229	Johnson	Blue Valley	67	46,308	21,308	15,981
229	Johnson	Blue Valley	68	46,308	21,308	15,981
229	Johnson	Blue Valley	69	36,586	11,586	8,690
D0229 Total			69	2,907,489	1,182,489	886,875
D0229			Served In-District ( 67 ) Out-of-District ( 2 )			
231	Johnson	Gardner-Edgerton	1	67,138	42,138	31,604
D0231 Total			1	67,138	42,138	31,604
D0231			Served In-District ( 1 ) Out-of-District ( 0 )			
232	Johnson	DeSoto	1	52,522	27,522	20,642
232	Johnson	DeSoto	2	43,816	18,816	14,112
232	Johnson	DeSoto	3	56,850	31,850	23,888
D0232 Total			3	153,188	78,188	58,642
D0232			Served In-District ( 1 ) Out-of-District ( 2 )			
233	Johnson	Olathe	1	39,207	14,207	10,655
233	Johnson	Olathe	2	55,636	30,636	22,977
233	Johnson	Olathe	3	164,125	139,125	104,344
233	Johnson	Olathe	4	40,716	15,716	11,787
233	Johnson	Olathe	5	74,119	49,119	36,839
233	Johnson	Olathe	6	98,663	73,663	55,247
233	Johnson	Olathe	7	40,716	15,716	11,787
233	Johnson	Olathe	8	60,576	35,576	26,682
233	Johnson	Olathe	9	39,008	14,008	10,506
233	Johnson	Olathe	10	75,794	50,794	38,096



Catastrophic State Aid by School District, By Student						
				Col 1	Col 2	Col 3
LEA	County	District	Student Count	FY07 Catastrophic Total	FY07 Total Minus \$25,000	FY07 Catastrophic Aid_75pct
233	Johnson	Olathe	11	57,774	32,774	24,581
233	Johnson	Olathe	12	37,636	12,636	9,477
233	Johnson	Olathe	13	45,413	20,413	15,310
233	Johnson	Olathe	14	54,243	29,243	21,932
233	Johnson	Olathe	15	37,261	12,261	9,196
233	Johnson	Olathe	16	70,327	45,327	33,995
233	Johnson	Olathe	17	46,937	21,937	16,453
233	Johnson	Olathe	18	33,962	8,962	6,722
233	Johnson	Olathe	19	39,753	14,753	11,065
233	Johnson	Olathe	20	77,729	52,729	39,547
233	Johnson	Olathe	21	48,790	23,790	17,843
233	Johnson	Olathe	22	40,716	15,716	11,787
233	Johnson	Olathe	23	58,561	33,561	25,171
D0233 Total			23	1,337,662	762,662	571,999
D0233			Served In-District ( 18 ) Out-of-District ( 5 )			
259	Sedgwick	Wichita	1	162,628	137,628	103,221
259	Sedgwick	Wichita	2	65,090	40,090	30,068
259	Sedgwick	Wichita	3	35,272	10,272	7,704
259	Sedgwick	Wichita	4	39,060	14,060	10,545
259	Sedgwick	Wichita	5	39,060	14,060	10,545
259	Sedgwick	Wichita	6	26,657	1,657	1,243
259	Sedgwick	Wichita	7	91,411	66,411	49,808
259	Sedgwick	Wichita	8	43,757	18,757	14,068
259	Sedgwick	Wichita	9	29,992	4,992	3,744
259	Sedgwick	Wichita	10	32,683	7,683	5,762
259	Sedgwick	Wichita	11	34,525	9,525	7,144
259	Sedgwick	Wichita	12	33,089	8,089	6,067
259	Sedgwick	Wichita	13	31,339	6,339	4,754
259	Sedgwick	Wichita	14	58,945	33,945	25,459
259	Sedgwick	Wichita	15	25,318	318	239
259	Sedgwick	Wichita	16	28,808	3,808	2,856
259	Sedgwick	Wichita	17	29,187	4,187	3,140
259	Sedgwick	Wichita	18	116,124	91,124	68,343
259	Sedgwick	Wichita	19	56,775	31,775	23,831
D0259 Total			19	979,720	504,720	378,541
D0259			Served In-District ( 6 ) Out-of-District ( 13 )			
260	Sedgwick	Derby	1	44,748	19,748	14,811
D0260 Total			1	44,748	19,748	14,811
D0260			Served In-District ( 1 ) Out-of-District ( 0 )			

Catastrophic State Aid by School District, By Student						
				Col 1	Col 2	Col 3
LEA	County	District	Student Count	FY07 Catastrophic Total	FY07 Total Minus \$25,000	FY07 Catastrophic Aid_75pct
261	Sedgwick	Haysville	1	40,765	15,765	11,824
261	Sedgwick	Haysville	2	30,955	5,955	4,466
261	Sedgwick	Haysville	3	29,399	4,399	3,299
261	Sedgwick	Haysville	4	60,874	35,874	26,906
261	Sedgwick	Haysville	5	29,467	4,467	3,350
D0261 Total			5	191,460	66,460	49,845
D0261			Served In-District ( 2 ) Out-of-District ( 3 )			
263	Sedgwick	Mulvane	1	75,619	50,619	37,964
D0263 Total			1	75,619	50,619	37,964
D0263			Served In-District ( 0 ) Out-of-District ( 1 )			
273	Mitchell	Beloit	1	31,391	6,391	4,793
273	Mitchell	Beloit	2	66,442	41,442	31,082
273	Mitchell	Beloit	3	70,792	45,792	34,344
D0273 Total			3	168,625	93,625	70,219
D0273			Served In-District ( 3 ) Out-of-District ( 0 )			
320	Pottawatomie	Wamego	1	33,282	8,282	6,212
320	Pottawatomie	Wamego	2	29,031	4,031	3,023
320	Pottawatomie	Wamego	3	25,800	800	600
D0320 Total			3	88,113	13,113	9,835
D0320			Served In-District ( 1 ) Out-of-District ( 2 )			
330	Wabaunsee	Mission Valley	1	38,025	13,025	9,769
D0330 Total			1	38,025	13,025	9,769
D0330			Served In-District ( 0 ) Out-of-District ( 1 )			
333	Cloud	Concordia	1	51,310	26,310	19,733
333	Cloud	Concordia	2	42,587	17,587	13,190
333	Cloud	Concordia	3	27,616	2,616	1,962
333	Cloud	Concordia	4	40,364	15,364	11,523
333	Cloud	Concordia	5	46,586	21,586	16,190
D0333 Total			5	208,463	83,463	62,598
D0333			Served In-District ( 5 ) Out-of-District ( 0 )			

Catastrophic State Aid by School District, By Student						
				Col 1	Col 2	Col 3
LEA	County	District	Student Count	FY07 Catastrophic Total	FY07 Total Minus \$25,000	FY07 Catastrophic Aid_75pct
345	Shawnee	Seaman	1	42,517	17,517	13,138
345	Shawnee	Seaman	2	43,251	18,251	13,688
D0345 Total			2	85,768	35,768	26,826
D0345			Served In-District ( 2 ) Out-of-District ( 0 )			
346	Linn	Jayhawk	1	59,690	34,690	26,018
D0346 Total			1	59,690	34,690	26,018
D0346			Served In-District ( 1 ) Out-of-District ( 0 )			
364	Marshall	Marysville	1	54,898	29,898	22,424
D0364 Total			1	54,898	29,898	22,424
D0364			Served In-District ( 1 ) Out-of-District ( 0 )			
373	Harvey	Newton	1	36,250	11,250	8,438
373	Harvey	Newton	2	37,250	12,250	9,188
373	Harvey	Newton	3	25,822	822	617
373	Harvey	Newton	4	25,822	822	617
D0373 Total			4	125,144	25,144	18,860
D0373			Served In-District ( 0 ) Out-of-District ( 4 )			
379	Clay	Clay Center	1	53,895	28,895	21,671
D0379 Total			1	53,895	28,895	21,671
D0379			Served In-District ( 1 ) Out-of-District ( 0 )			
383	Riley	Manhattan-Ogden	1	51,417	26,417	19,813
D0383 Total			1	51,417	26,417	19,813
D0383			Served In-District ( 1 ) Out-of-District ( 0 )			
418	McPherson	McPherson	1	98,833	73,833	55,375
418	McPherson	McPherson	2	60,510	35,510	26,633
D0418 Total			2	159,343	109,343	82,008
D0418			Served In-District ( 0 ) Out-of-District ( 2 )			

Catastrophic State Aid by School District, By Student						
LEA	County	District	Student Count	FY07 Catastrophic Total	FY07 Total Minus \$25,000	FY07 Catastrophic Aid_75pct
437	Shawnee	Auburn-Washburn	1	35,045	10,045	7,534
D0437 Total			1	35,045	10,045	7,534
D0437			Served In-District ( 0 ) Out-of-District ( 1 )			
441	Nemaha	Sabetha	1	180,000	155,000	116,250
D0441 Total			1	180,000	155,000	116,250
D0441			Served In-District ( 0 ) Out-of-District ( 1 )			
450	Shawnee	Shawnee Heights	1	46,847	21,847	16,385
D0450 Total			1	46,847	21,847	16,385
D0450			Served In-District ( 0 ) Out-of-District ( 1 )			
490	Butler	El Dorado	1	63,178	38,178	28,634
D0490 Total			1	63,178	38,178	28,634
D0490			Served In-District ( 0 ) Out-of-District ( 1 )			
497	Douglas	Lawrence	1	99,507	74,507	55,880
497	Douglas	Lawrence	2	31,393	6,393	4,795
497	Douglas	Lawrence	3	77,597	52,597	39,448
497	Douglas	Lawrence	4	30,035	5,035	3,776
497	Douglas	Lawrence	5	30,207	5,207	3,905
D0497 Total			5	268,739	143,739	107,804
D0497			Served In-District ( 4 ) Out-of-District ( 1 )			
500	Wyandotte	Kansas City	1	30,744	5,744	4,308
D0500 Total			1	30,744	5,744	4,308
D0500			Served In-District ( 1 ) Out-of-District ( 0 )			
501	Shawnee	Topeka Public Schools	1	64,916	39,916	29,937
501	Shawnee	Topeka Public Schools	2	26,432	1,432	1,074
501	Shawnee	Topeka Public Schools	3	60,119	35,119	26,339
501	Shawnee	Topeka Public Schools	4	127,663	102,663	76,997
501	Shawnee	Topeka Public Schools	5	31,296	6,296	4,722
501	Shawnee	Topeka Public Schools	6	26,972	1,972	1,479
501	Shawnee	Topeka Public Schools	7	27,565	2,565	1,924
D0501 Total			7	364,963	189,963	142,472
D0501			Served In-District ( 6 ) Out-of-District ( 1 )			



Catastrophic State Aid by School District, By Student						
				Col 1	Col 2	Col 3
LEA	County	District	Student Count	FY07 Catastrophic Total	FY07 Total Minus \$25,000	FY07 Catastrophic Aid_75pct
602	Northwest Kansas	Ed Serv Center	1	35,413	10,413	7,810
602	Northwest Kansas	Ed Serv Center	2	27,567	2,567	1,925
602	Northwest Kansas	Ed Serv Center	3	32,901	7,901	5,926
602	Northwest Kansas	Ed Serv Center	4	31,272	6,272	4,704
602	Northwest Kansas	Ed Serv Center	5	35,099	10,099	7,574
D0602 Total			5	162,252	37,252	27,939
D0602			Served In-District ( 5 ) Out-of-District ( 0 )			
603	ANW Special Ed Coop		1	36,930	11,930	8,948
603	ANW Special Ed Coop		2	33,515	8,515	6,386
603	ANW Special Ed Coop		3	43,650	18,650	13,988
603	ANW Special Ed Coop		4	36,897	11,897	8,923
603	ANW Special Ed Coop		5	51,694	26,694	20,021
603	ANW Special Ed Coop		6	58,185	33,185	24,889
D0603 Total			6	260,871	110,871	83,155
D0603			Served In-District ( 6 ) Out-of-District ( 0 )			
607	Tri County Sped Coop		1	44,069	19,069	14,302
607	Tri County Sped Coop		2	42,913	17,913	13,435
D0607 Total			2	86,982	36,982	27,737
D0607			Served In-District ( 0 ) Out-of-District ( 2 )			
611	High Plains Ed Coop		1	61,710	36,710	27,533
611	High Plains Ed Coop		2	33,500	8,500	6,375
D0611 Total			2	95,210	45,210	33,908
D0611			Served In-District ( 2 ) Out-of-District ( 0 )			
613	Southwest KS Area Coop		1	215,841	190,841	143,131
D0613 Total			1	215,841	190,841	143,131
D0613			Served In-District ( 1 ) Out-of-District ( 0 )			
618	Sedgwick Cty Area Ed Serv		1	240,975	215,975	161,981
D0618 Total			1	240,975	215,975	161,981
D0618			Served In-District ( 0 ) Out-of-District ( 1 )			

Catastrophic State Aid by School District, By Student						
				Col 1	Col 2	Col 3
LEA	County	District	Student Count	FY07 Catastrophic Total	FY07 Total Minus \$25,000	FY07 Catastrophic Aid_75pct
637	Southeast KS	Interlocal	1	54,771	29,771	22,328
637	Southeast KS	Interlocal	2	28,318	3,318	2,489
637	Southeast KS	Interlocal	3	25,519	519	389
637	Southeast KS	Interlocal	4	26,962	1,962	1,472
637	Southeast KS	Interlocal	5	28,465	3,465	2,599
<b>D0637 Total</b>			<b>5</b>	<b>164,035</b>	<b>39,035</b>	<b>29,277</b>
D0637			Served In-District ( 5 ) Out-of-District ( 0 )			
<b>State Totals</b>			<b>185</b>	<b>9,066,087</b>	<b>4,441,087</b>	<b>3,330,837</b>
<b>State Totals</b>			<b>Served In-District ( 141 ) Out-of-District ( 44 )</b>			

PROPOSED AMENDMENT TO HOUSE BILL NO. 2870

On page 1, by striking all in lines 13 through 43;

By striking all on pages 2, 3 and 4;

On page 5, by striking all in lines 1 through 13; following line 13, by inserting:

“New Section 1.(a) As used in this subsection:

(1) "State board" means the state board of education.  
(2) "Board of education" means the board of education of a school district.  
(3) "Hard-to-fill teaching discipline" means the disciplines of mathematics or science taught in any of the grades nine through 12.

(4) "School district" means any school district which pays a teacher who is endorsed in a hard-to-fill teaching discipline an employment incentive or retention bonus.

(5) “Employment incentive or retention bonus” or “bonus” means an employment incentive or retention bonus authorized by K.S.A. 72-8246, and amendments thereto, which is equal in amount to at least 5% of the amount of the base salary paid to teachers employed by the district who have similar qualifications and experience but who are not endorsed to teach in a hard-to-fill teaching discipline.

(b) Any school district which pays an employment incentive or retention bonus may apply for a grant of state moneys for the purpose of providing stipends to such teachers. In order to be eligible to receive a grant of state moneys, a board of education shall submit to the state board of education an application for a grant in such form and manner as required by the state board. The application shall be submitted at a time to be determined and specified by the state board. Subject to the limitations of appropriations, the state board of education shall determine the amount of grants to be awarded school districts by multiplying an amount not to exceed \$1,000 by the number of teachers employed by the district who are endorsed in a hard-to-fill teaching discipline. The product is the amount of the grant to be awarded to the district. Amounts received as a grant shall be deposited in the general fund of the school district and shall be considered reimbursements for the purpose of the school district finance and quality performance act. The full amount of the grant shall be allocated among the teachers employed by the district who are endorsed in hard-to-fill teaching discipline so as to provide each such teacher with an annual stipend in an amount not to exceed \$1,000. Such annual stipend shall be over and above the regular salary to which the teacher is entitled for the school year.”;

By renumbering the remaining section;

**TO:** Representative Aurand  
**FROM:** Theresa M. Kiernan, Senior Assistant Revisor of Statutes  
**RE:** United Teachers of Wichita v. U.S.D. No. 259  
**DATE:** February 15, 2008

The following is a summary of the facts and the decision of the Department of Labor (Department) in the administrative order issued on May 11, 2007, concerning the United Teachers of Wichita (UTW) v. U.S.D. No. 259 (Board).

UTW alleged: That the additional \$1,500 payment to teachers assigned to schools with high percentages of at-risk pupils was a salary supplement and not a bona fide incentive or retention bonus; that a salary supplement was within the purview of salary and wages, which is a mandatorily negotiable topic under K.S.A. 72-5413; that by adopting the policy to make such payment, the Board had made a unilateral change in a mandatorily negotiable topic; and that the Board had refused to negotiate in good faith as required by K.S.A. 72-5413.

UTW requested the Department to: Determine that by adopting the policy, the Board had committed a prohibited practice; order the Board to rescind the policy; require the board to pay all teachers the \$1,500 salary supplement; and to negotiate any future changes to mandatorily negotiable topics.

The Board contended, and UTW did not dispute, that the payment of an incentive or retention bonus is a permissively negotiable item. The board also contended that school districts have the authority to initiate as policy those items that are permissively negotiable.

The Professional Negotiations Act (PNA) deems it a prohibited practice for a board of education to refuse to negotiate in good faith with respect to a mandatorily negotiable topic. Under Kansas law, the question of whether a specific subject is mandatorily negotiable is determined by the use of the "topic" approach. All that is required under the topic approach is that the subject matter of the specific proposal be within the purview of one of the categories listed under "terms and conditions of professional service." If a topic is listed as mandatorily negotiable under the PNA, then any particular proposal under that category is mandatorily negotiable unless excluded by a provision within the PNA which states:

"Nothing in this act, and amendments thereto, shall authorize the diminution of any right, duty or obligation of either the professional employee or the board of education which have been fixed by statute or by the constitution of this state. Except as otherwise expressly provided in this subsection (I), the fact that any matter may be the subject of a statute or the constitution of this state does not preclude negotiation thereon so long as the negotiation proposal would not prevent the fulfillment of the statutory or constitutional objective."

In addition, under subsection (I)(1)(C) of K.S.A. 72-5413, specific subjects for which negotiation is permissive are other matters as the parties mutually agree upon as properly related to professional service, including incentive and retention bonuses. Bargaining on subjects under this subsection is required only when both parties agree that bargaining is appropriate. Again, UTW did not dispute this point.

The Department found that since the parties could not agree that bargaining was appropriate on the subject of incentive or retention bonuses, that it was within the Board's authority to take unilateral action on a permissive topic, regardless of the parties prior willingness to negotiate in an attempt to reach common ground. A permissively negotiable subject is not transformed into a mandatorily negotiable subject by negotiation of the subject amongst the parties.

After considering all of the evidence of record, the Department found that it was clear the \$1,500 payment to teachers working in schools with high percentages of at-risk pupils, in the manner devised by the Board, constituted an employment incentive or retention bonus within the purview of Kansas statute; and that the action of the Board did not constitute a prohibited practice.



**Illustrating the Impact of Revenue Neutral Medicaid Replacement Aid  
on the Statewide Special Education Funding Calculation  
Using 2006-07 Amounts**

House Education Committee  
Date: 2-26-08  
Attachment # 4

	Actual 2006-07 Calculation (from p.5 of LPA report)	Estimated Calculation Without Medicaid Replacement Aid		Estimated Calculation With Medicaid Replacement Aid		LPA COMMENTS
		Amounts	Difference	Amounts	Difference	
<b>EXPENDITURE CALCULATION</b>						
Actual Expenditures (2004-05 School Year)	\$578,595,181	\$578,595,181	\$0	\$578,595,181	\$0	
Plus Estimated Increase in Special Education Teachers & Salaries for 2005-06 and 2006-07	\$81,151,808	\$81,151,808	\$0	\$81,151,808	\$0	
<b>ESTIMATED EXPENDITURES (2006-07)</b>	<b>\$659,746,989</b>	<b>\$659,746,989</b>	<b>\$0</b>	<b>\$659,746,989</b>	<b>\$0</b>	
<b>EXCESS COSTS CALCULATION</b>						
Less per Pupil Cost of Regular Education	(\$172,022,832)	(\$172,022,832)	\$0	(\$172,022,832)	\$0	
Less Federal Aid	(\$100,060,000)	(\$100,060,000)	\$0	(\$100,060,000)	\$0	
Less Medicaid Reimbursements	(\$35,000,000)	(\$11,116,598)	\$23,883,402	(\$11,116,598)	\$23,883,402	(1) The State will lose an estimated \$23.9 million in Medicaid funds.
Less SRS contribution for students in State hospitals	(\$1,500,000)	(\$1,500,000)	\$0	(\$1,500,000)	\$0	
<b>ESTIMATED EXCESS COSTS (2006-07)</b>	<b>\$351,164,157</b>	<b>\$375,047,559</b>	<b>\$23,883,402</b>	<b>\$375,047,559</b>	<b>\$23,883,402</b>	(2) This will increase "excess costs" by \$23.9 million.
<b>CATEGORICAL AID (2006-07)</b> [92% of Excess Costs]	<b>\$323,071,024</b>	<b>\$345,043,754</b>	<b>\$21,972,730</b>	<b>\$345,043,754</b>	<b>\$21,972,730</b>	(3) The State will replace \$22.0 million (92%) with categorical aid.
<b>DISTRIBUTION OF CATEGORICAL AID</b>						
"Catastrophic" Aid to be distributed	\$1,700,000	\$1,700,000	\$0	\$1,700,000	\$0	
Transportation Aid to be distributed	\$52,364,000	\$52,364,000	\$0	\$52,364,000	\$0	
Medicaid Replacement Aid (92% of the lost Medicaid)	\$0	\$0	\$0	\$21,972,730	\$21,972,730	(4a) <u>With</u> Medicaid replacement aid, the new categorical aid goes here.
The remainder is distributed based on the number of special ed teachers and paraprofessionals	\$269,007,024	\$290,979,754	\$21,972,730	\$269,007,024	\$0	(4b) <u>Without</u> Medicaid replacement aid, the new aid goes out based on teachers.
<b>TOTAL CATEGORICAL AID</b>	<b>\$323,071,024</b>	<b>\$345,043,754</b>	<b>\$21,972,730</b>	<b>\$345,043,754</b>	<b>\$21,972,730</b>	

8-1

***In 2006-07, the Legislature Provided Almost \$334 Million In Special Education Categorical Aid for Districts and Cooperatives***

Districts and cooperatives pay for special education services with a mix of federal, State, and local funds. Each year, the Legislature decides how much State funding it will provide for special education, which is known as "categorical aid." For the 2006-07 school year, the Legislature appropriated almost \$334 million in categorical aid for special education services.

<b>Figure OV-2 Statewide Calculation and Distribution of State Categorical Aid 2006-07 School Year</b>		
		<b>Amounts Used in the 2006-07 Calculation</b>
<b>EXPENDITURE CALCULATION</b>	Actual Expenditures (2004-05 School Year)	\$578,595,181
	Plus Estimated Increase in Special Education Teachers & Salaries for 2005-06 and 2006-07	+ \$81,151,808
	<b>Projected Total Estimated Expenditures for 2006-07</b>	<b>= \$659,746,989</b>
<b>EXCESS COST CALCULATION</b>	Less per Pupil Cost of Regular Education	- \$172,022,832
	Less Federal Aid	- \$100,060,000
	Less Medicaid Reimbursements	- \$35,000,000
	Less SRS contribution for students in State hospitals	- \$1,500,000
	<b>Total Excess Cost</b>	<b>= \$351,164,157</b>
<b>CATEGORICAL AID CALCULATION</b>	Excess Cost x 92%	x 92%
	<b>Categorical Aid (a)</b>	<b>= \$323,071,024</b>
<b>DISTRIBUTION OF CATEGORICAL AID</b>	"Catastrophic" Aid to be distributed	\$1,700,000
	Transportation Aid to be distributed	\$52,364,000
	The remainder is distributed based on the number of special ed teachers and paraprofessionals (approximately \$23,000 X 11,700 FTE teachers)	\$269,007,024
(a) This is the amount approved by the Legislature based on the estimates for that year. The amount of categorical aid actually paid that year was \$334 million. Source: Legislative Research Department and Department of Education.		