

MINUTES OF THE HOUSE EDUCATION COMMITTEE

The meeting was called to order by Chairman Clay Aurand at 9:00 a.m. on February 4, 2009, in Room 711 of the Docking State Office Building.

All members were present except:

Representative Lana Gordon- excused
Representative Melvin Neufeld- excused

Committee staff present:

Sharon Wenger, Research Analyst, Kansas Legislative Research Department
Dale Dennis, Deputy Commissioner, Kansas State Department of Education
Janet Henning, Committee Assistant

Conferees appearing before the committee:

Cheryl Semmel, Director, United School Administrators of Kansas
Dr. David Brax, Superintendent, Buhler, USD #313
Diane Gjerstad, Wichita Public Schools USD #259
Mark Tallman, Kansas Association of School Boards
Mark Desetti, Kansas National Education Association
John Morton, Superintendent, Newton USD #373 (written testimony)

Sharon Wenger, Research Analyst, Kansas Legislative Research Department, distributed copies of the "boundary study", a part of the report by the Augenblick-Meyers firm and requested by Rep. Crow. ([Attachment 1](#))

Chairman Aurand advised Committee members that the Committee would not be working **HB 2002** as previously announced because of time constraints.

HB 2105 - Teacher and administrator contracts; notice of non-renewal.

Cheryl Semmel, Director, United School Administrators of Kansas, addressed Committee members as a proponent of **HB 2105**. Ms. Semmel told Committee members that **HB 2105** would allow districts, for a limited period of time, to notify teachers of non-renewal to a reasonable number of days following the adoption of the state budget. This would allow school districts to make decisions based on more accurate information about the financial resources available to the district. Ms. Semmel told Committee members that administrators remain committed to ensuring a quality education for each child and are communicating regularly with staff - instructional and non-instructional - as they prepare for anticipated cuts and remain focused on that common goal. ([Attachment 2](#))

Dr. David Brax, Buhler USD #313, spoke to Committee members as a proponent of **HB 2105**. Dr. Brax told Committee members that **HB 2105** would positively impact non-tenured teachers throughout the state and would alleviate some arbitrary time constraints on school administrators and board of education to make staffing decisions. ([Attachment 3](#))

Diane Gjerstad, Wichita Public Schools USD #259, spoke to Committee members as a proponent of **HB 2105**. Ms. Gjerstad told Committee members that because Wichita Public Schools has a reduction in force policy in the bargaining agreement with the United Teachers of Wichita, they would ask the committee to allow for a district to use either current law or the proposed language in ©. However, the district does not have a reduction in force policy for administrators. For this reason, they would like the option to exercise the new language on page 2, section 2 © which would extend the deadline to notify administrators. Ms. Gjerstad further stated that the district would ask the provisions in © be optional for teachers; and the bill clearly allow a district to use either option for teachers and administrators to best deal with staffing issues within their district. ([Attachment 4](#))

Written testimony was received from Dr. John Morton, Superintendent, and Dr. Mike Clagg, Assistant Superintendent for Human Services, Newton USD 373, in support of **HB 2105** and distributed to Committee members. ([Attachment 5](#))

A question and answer session followed the presentation.

Mark Tallman, Assistant Executive Director/Advocacy, Kansas Association of School Boards, spoke to Committee members in opposition of **HB 2105**. Mr. Tallman told Committee members that their members have previously adopted a specific policy position support the May 1 and May 15 dates. ([Attachment 6](#))

Mark Desetti, Director Legislative and Political Advocacy, Kansas National Education Association, spoke to Committee members in opposition of **HB 2105**. Mr. Desetti told Committee members that the system we have now is working and KNEA sees no reason to change it. ([Attachment 7](#))

A question and answer session followed the presentations.

Chairman Aurand closed the hearing on **HB 2105**.

The meeting was adjourned at 9:45 a.m. The next meeting is scheduled for February 10, 2009.

1.1 ESTIMATING BASE-LEVEL COSTS FOR REGULAR EDUCATION USING AN INPUT-BASED APPROACH

Conducting a cost study using an input-based approach involves identifying the type and number of resources needed to provide a certain level of services, then “pricing” those resources to determine their estimated cost. The study we conducted using the input-based approach was required by law to identify the following for regular K-12 education in Kansas:

- the estimated costs of providing the curricula, programs, and services mandated by State statute or specified in high school graduation requirements and State scholarship and college admission requirements. These could be considered the costs related to a basic education; they do not take student performance outcomes into account.
- an estimate of the reasonable costs for operating schools and school districts, including costs for instruction, administration, support staff, supplies, equipment, and building operations and maintenance.

The reader should be aware there are likely to be some district expenditures unrelated to the cost of a basic education that cannot be separately identified in the data districts report to the Department of Education. Also, previous audit work we’ve done has shown that some districts’ internal accounting records don’t treat expenditures uniformly. In this cost study, we took steps to try to minimize the impact of these factors on our cost estimates.

BACKGROUND: MANDATED REQUIREMENTS FOR REGULAR EDUCATION

The major requirements we identified are summarized in *Figure 1.1-1*. Most mandated requirements relate to the educational curricula school districts are required to provide, either at the elementary or high school level.

Figure 1.1-1 Summary of Statutory and Other Mandates, Attendance and Curriculum Requirements			
	Minimum Requirement		Mandated in...
Attendance Requirements School Days per Year	K - 11	186 days per year	K.S.A. 72-1106
	Grade 12	181 days per year	
School Hours per Year	Kindergarten	465 hours per year (2.5/day)	K.S.A. 72-1106
	Grade 1-11	1,116 hours per year (6/day)	
	Grade 12	1,086 hours per year (6/day)	

1.1: Inputs-Based Approach

<p>Elementary Curriculum Requirements</p>	<p>Reading Writing Math (including arithmetic) Geography Spelling English (grammar and composition) History (U.S., Kansas) Civil Government (and Citizenship) Health and Hygiene Such other subjects as the State Board of Education may determine: Science Language Arts Computer Literacy Fine Arts Physical Education (incl. health & human sexuality)</p>	<p>K.S.A. 72-1101 Board of Education Quality Performance Accreditation criteria K.A.R. 91-31-32(c)(9)</p>
<p>High School Curriculum Requirements</p>	<p>21 units of credit are required for graduation. High schools must offer and teach 30 units of instruction. 4 units English 4 units Math 3 units Science 3 units History / Government 2 units Foreign Language 1 unit Computer Technology 1 unit Physical Education 1 unit Fine Arts Electives to fill out required hours/units</p>	<p>K.A.R. 91-31-35(b) K.S.A. 72-8212 K.A.R. 91-31-35(a) K.S.A. 72-116, 76-717, 72-6810, 72-1103, 72-1117(a)</p>
<p>Source: Kansas Statutes, Kansas Administrative Regulations, Quality Performance Accreditation criteria.</p>		

Two other statutory requirements related to basic education had to do with student health exams and assessment tests.

- health exams - State law requires districts to periodically perform vision, hearing, and dental screenings for students.
- student assessments - K.S.A. 72-6439 requires assessment tests to be administered to three grade levels in the core academic areas of mathematics, science, reading, writing, and social studies. Beginning with the 2005-06 school year, the State's Quality Performance Accreditation standards required additional grades to be tested each year. Because our charge was to look only at statutory requirements, we did not consider costs that may be related to testing additional grades.

In addition to these requirements, we identified numerous other requirements in law, such as those relating to providing Special Education, transportation, and food service. These areas are addressed in other parts of this cost study, and are summarized in **Appendix 6**.

INPUT-BASED APPROACH: METHODOLOGY

The methodology we followed in estimating the cost of delivering the curricula, related programs, and services mandated by State statute, as well as reasonable costs for operating schools and school districts, is summarized below. More detail is presented in **Appendix 1.1**.

1. **Creating and configuring prototype districts for the input-based approach.** We chose eight prototype enrollment sizes: 100, 200, 300, 400, 600, 1,100, 2,000, and 15,000. Because per-student costs change most rapidly at the smaller enrollment levels, we chose more prototypes with smaller enrollments. We analyzed information from 94 Kansas school districts with actual enrollments near those eight prototype sizes to determine the number of schools, grade spans, and students in each grade, and modeled our eight prototype districts based on the most common configurations in those comparison districts. The 94 comparison districts are listed in **Appendix 7**.
2. **Determining the types of staff to allocate to our eight prototype school districts.** This was based on our reviews of staffing standards set by independent bodies, the types of positions our comparison districts actually had, and a survey we conducted of officials in 80 school districts. Because the focus of the input-based approach was on districts' core educational missions, we excluded positions that related to students' health or social welfare or that otherwise did not appear to be essential or directly related to educating students and running the district. To determine whether we needed to provide special staffing to deal with statutory requirements for health assessments we contacted Department of Education officials who told us that many districts contract for those services, use teachers to provide them (as allowed by law), or borrow resources such as audiologists from Special Education programs. We determined that those costs could be captured in our allocation of non-salary expenditures as described in item #6. (The costs related to special needs programs, Vocational Education, transportation, and food service are covered under other parts of the cost study.)
3. **Determining the number of regular education teaching staff to allocate to our eight prototype districts.** Teacher costs represent about half of districts' total expenditures, and it takes more teachers to achieve smaller class sizes, so we knew that different decisions about average class sizes for our prototype districts would result in significantly different per-student costs. Staffing standards, allocation plans, other state studies, and educational literature we reviewed suggested maximum class sizes ranging from 15-35. Some suggested the same maximum class sizes for all grades, and some suggested smaller class sizes in the earlier grades.

Because there's no required or agreed-upon class-size standard, and to help demonstrate the cost impact of using different average class sizes, we selected 3 average class-size models to use in our input-based approach:

- an average class size of 20 students
- an average class size of 25 students
- an average class size of 18 students in grades K-3, and 23 students in grades 4 and above

We applied the average class size for each model uniformly to all prototype districts except the 100- and 200-enrollment sizes. For those two prototypes, we adjusted the numbers of teachers at both the elementary and secondary levels to account for their very small numbers of students, and to provide the minimum number of teachers needed for the diversity of courses required by State statute. (This information is shown in **Appendix 8**.)

Figure 1.1-2 shows how the number of regular education teachers we allocated to our prototype districts varies under each class size model, and compares it to the actual median number of teachers for the 94 similarly sized comparison districts we used in the cost study. All three class size models allocate fewer teachers than districts currently have, likely because their comparison districts' average class sizes were smaller than the model sizes we used. The 2,000- and 15,000-enrollment prototype districts are being allocated about the same number of regular education teachers under the first model as their comparison districts actually had. That's because those comparison districts likely had average class sizes of about 20 students per class.

Figure 1.1-2 Number of Regular Education Teachers Allocated Under the 3 Different Class-Size Models Used in the Input-Based Approach				
	2004-2005 Actual (a)	Average Class-Size Models		
		20 Students/ Class	25 Students/ Class	18 Students/Class in K-3; 23 in 4-12
Prototype 100				
# Teachers	13.6	10	10	10
Pupil-Teacher Ratio (b)	7.4	10	10	10
Prototype 200				
# Teachers	18.6	14.5	14.5	14.5
Pupil-Teacher Ratio	10.7	13.8	13.8	13.8
Prototype 300				
# Teachers	24.1	17.5	14.5	16.2
Pupil-Teacher Ratio	12.4	17.2	20.7	18.5
Prototype 400				
# Teachers	31.8	22.9	18.6	21.2
Pupil-Teacher Ratio	12.6	17.5	21.5	18.9
Prototype 600				
# Teachers	44.7	34.1	27.4	31.5
Pupil-Teacher Ratio	13.4	17.6	21.9	19.1
Prototype 1,100				
# Teachers	77.4	62.3	49.9	58.1
Pupil-Teacher Ratio	14.2	17.7	22.0	18.9
Prototype 2,000				
# Teachers	118.6	113.5	90.8	105.7
Pupil-Teacher Ratio	16.9	17.6	22.0	18.9
Prototype 15,000				
# Teachers	879.1	849.3	679.4	796.2
Pupil-Teacher Ratio	17.1	17.7	22.1	18.8

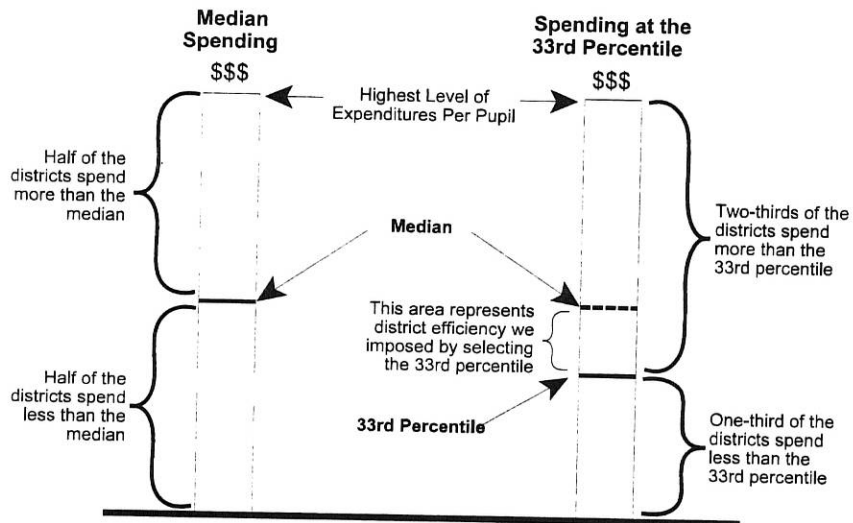
(a) The number of teachers shown is the median for each prototype district's group of comparison districts.
(b) Pupil-teacher ratio is a straight calculation dividing enrollment by number of teachers. Class size is a similar calculation, but factors in the number of hours that teachers actually teach (excluding at least 40 minutes of planning time per day).

Source: LPA analysis of Department of Education data.

4. **Determining a reasonable number of other staff positions to allocate to our eight prototype districts.** Generally, we used accreditation standards for four positions: principal, assistant principal, library specialist, and counselor. For most other staff positions: within each prototype size we arrayed staffing levels for the comparison districts from high to low, and in each category selected the staffing level at the 33rd percentile. (The 33rd percentile means that 1/3rd of the comparison districts had that many of those staff positions or fewer, and 2/3rd had more.) Using the 33rd percentile rather than the 50th percentile (median) allowed us to select resource levels from districts that were operating at an above-average level of efficiency. (**Figure 1.1-3** shows the relationship between the median and the 33rd percentile; **Appendix 9** shows the staff resources we allocated to our prototype districts for all

three class-model sizes.) We excluded positions for Operations and Maintenance staff because some districts hire their own staff, and some contract out for these positions. Instead, we used the 33rd percentile of the comparison districts' five-year average per student total spending (both salary and non-salary) for Operations and Maintenance.

**Figure 1.1-3
How Spending at the 33rd Percentile
Differs From Median Spending
Levels**



Median spending is the level at which exactly half the school districts spend more and half spend less. If costs are assigned at the median, it simply redistributes current costs among the districts. The 33rd percentile is the level at which 2/3 of the districts spend more and 1/3 spend less. Allowing spending at this level requires 2/3 of the districts to become more efficient. The difference between the median and the 33rd percentile can be large or small depending on how much variation exists in the numbers being arrayed.

Source: Developed by Legislative Post Audit staff

5. **Determining average salary costs for the staff positions we allocated to our eight prototype districts.** We used Statewide average salary information for teachers or other staff positions when it was available (excluding any supplemental pay for duties like coaching); average salaries being paid by districts in each prototype size range for superintendent, assistant superintendent, principal and assistant principal positions; and average salaries for various other positions that we obtained through a survey of about 90 districts. **Appendix 10** shows the salary figures we used for each position. We applied a uniform benefit rate based on a Statewide average to all positions (excluding the State-funded KPERS contribution).
6. **Determining a level of non-salary resources to allocate to our eight prototype districts.** For our 94 comparison districts, we used a five-year inflation adjusted average of their actual non-salary expenditures per student that were most likely to be associated with their non-salary regular educational or operational activities. (A discussion of the expenditure categories we used is shown in **Appendix 1.1.**) Within each prototype size, we arrayed non-salary expenditures per-student for the comparison districts from high to low, and in each category selected the expenditure level at the 33rd percentile. This step allowed us to select expenditures from districts that were operating at an above-average level of efficiency. It also lessened the impact of some of the "extracurricular" or other "non-basic" expenditures that we would have excluded if we had been able to separately and uniformly

identify them for all districts. (Appendix 10 compares these non-salary expenditures for each prototype district and class-model size at the median level and 33rd percentile level.)

7. **Identifying total costs per student for regular education for each class-size model.** Because some salary information we gathered was for the 2004-05 school year and some historical spending levels we analyzed were from the 2003-04 school year, we brought all costs to a 2004-05 basis, and ran the input-based cost model using the 3 different class-size scenarios. Doing so allowed us to identify total cost per student for delivering the curricula, programs, and services mandated by State statute, plus reasonable and necessary costs for operating schools and school districts. Using the cost estimates for our eight prototype districts, we created a new "cost curve" that would allow us to identify estimated costs for each school district.
8. **Identifying enrollment weights for regular education for each class-size model.** Using the information on total costs per student for each prototype, we also were able to calculate a low-enrollment weight formula, as well as a correlation weighting formula.

COST STUDY: RESULTS FOR THE INPUT-BASED COST MODEL

The results of the input-based approach are summarized in the following sections. Appendix 16 presents these results by district.

1. ESTIMATED BASE-LEVEL COSTS FOR REGULAR EDUCATION

Depending on the class-size model used, we estimated the base-level cost of providing what's mandated by State statute would range from \$4,375 to \$4,943 per student for 2005-06. That compares with the current Base State Aid Per Pupil of \$4,257. Figure 1.1-4 shows these amounts for each class-size model. As the figure shows, the average class-size model of 25 students would have a significantly lower base-level cost than the two other models.

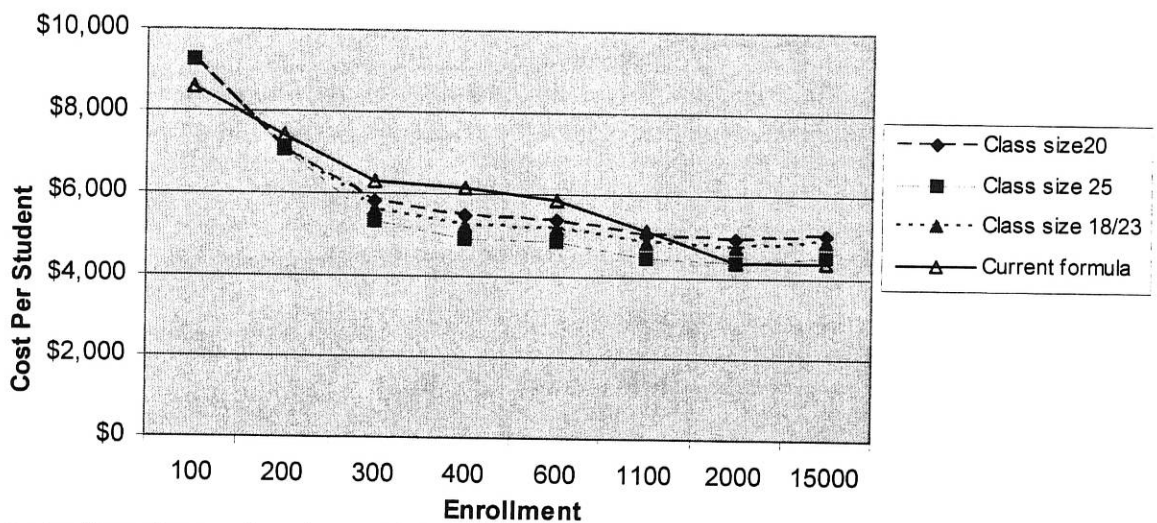
**Figure 1.1-4
Comparison of Base Cost Per Student
INPUT-BASED ESTIMATES vs. CURRENT FUNDING FORMULA**

Class-Size Models	Base-Level Cost Per Student <u>INPUT-BASED ESTIMATE</u>		(2005-06) Base State Aid Per Pupil <u>CURRENT FORMULA</u>	Difference Per Student
	Original LPA Estimate (in 2004-05 dollars)	Adjusted by LPA for Inflation (in 2005-06 dollars)		
20	\$4,763	\$4,943	\$4,257	\$686
18/23	\$4,575	\$4,748	\$4,257	\$491
25	\$4,216	\$4,375	\$4,257	\$118

Source: LPA input-based analysis.

We arrived at this estimate by plotting each prototype district's estimated costs for providing what's mandated by State statute on a cost curve. The base-level cost is the lowest point on that curve. For all three class-size models, this low point occurred at the 2,000 enrollment level. **Figure 1.1-5** shows the cost curves for our three class-size models, compared with the equivalent costs using the current funding formula. **Appendix 11** shows the actual dollar amounts for this figure.

Figure 1.1-5
Comparing Three Input-Based Class-Size Models to Equivalent Costs Using Current Funding Formula

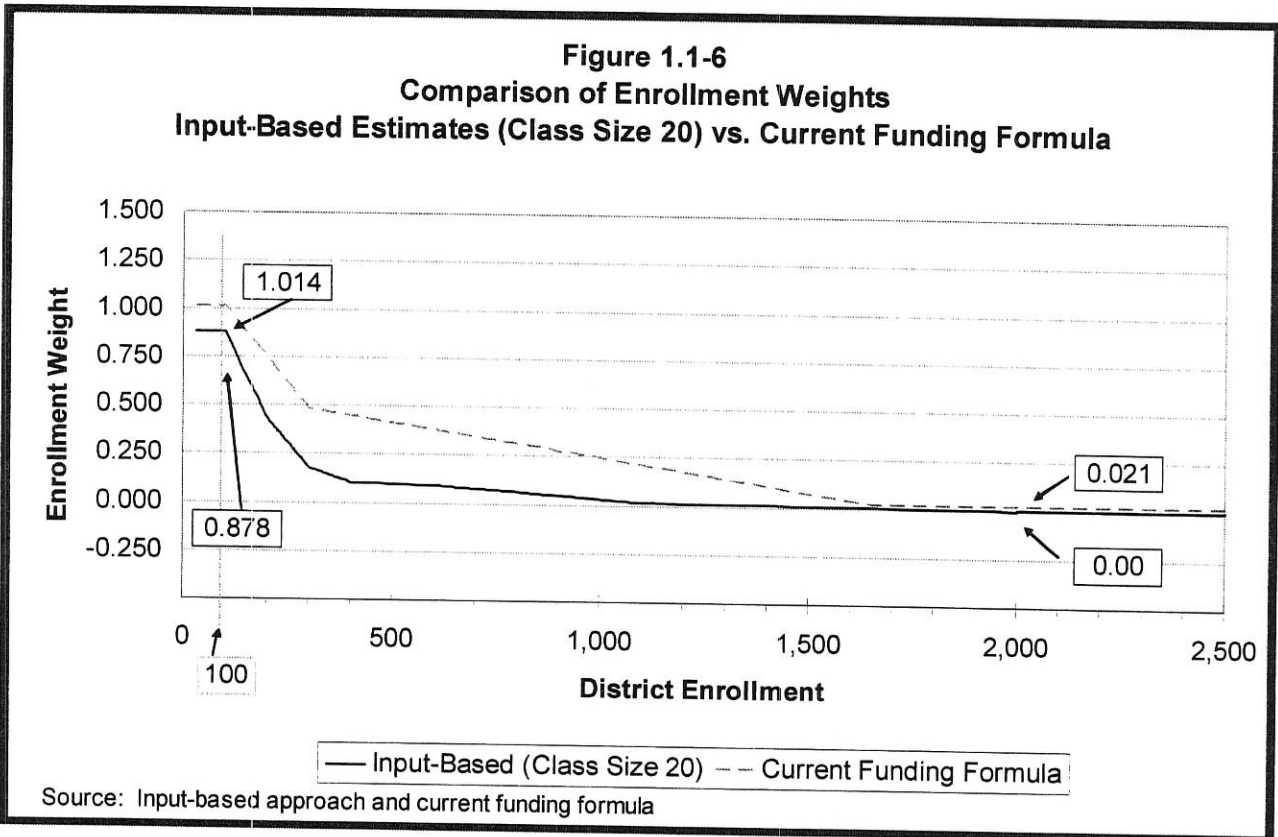


Source: Input-based approach, and current State funding formula.

2. ESTIMATED ENROLLMENT WEIGHTS

The enrollment weights estimated in the input model generally are lower than those in the current formula, especially in the smaller districts. Education research has shown that the size of a district can significantly affect the cost of educating students. Specifically, smaller districts tend to cost more because they tend to have smaller class sizes (and therefore relatively more teachers), and have fewer students over whom they can spread their fixed administrative costs.

Using the cost curve shown above, we calculated the amount above the base-level that it would cost each district to educate its students—also known as enrollment weighting. Those weights vary for each district depending on its enrollment level, and are different under each class-size model we used. **Figure 1.1-6** shows the low-enrollment and high-enrollment (also called “correlation”) weights using an average class size of 20 students, and compares them to the current funding formula.



As the figure shows, the low-enrollment weights estimated using the input-based approach bottom out at an enrollment level of about 2,000, and are consistently lower than the weights in the current formula. For example, districts with 100 or fewer students would receive an additional weighting of 0.878—meaning it would cost them about 88% more than the base-level cost to deliver what’s mandated by State statute for regular education. This is significantly less than the current weighting of 1.014 in the school finance formula.

For districts with an enrollment level above 2,000, the input-based approach has a graduated correlation weighting that goes from 0 at the 2,000 enrollment level to about 2% at the 15,000 enrollment level, at which point it levels off. The current funding formula applies a constant correlation factor of about 2%, starting at an enrollment of 1,662.

3. IMPACT OF VARIOUS ASSUMPTIONS ON ALLOCATED POSITIONS AND COSTS

For the cost categories we used, the estimated costs for our eight prototype districts of delivering what’s mandated by State statute were anywhere from about \$300 per student to \$2,100 per student less than our 94 comparison districts’ estimated expenditures for 2004-05. (This information is shown on Appendix 10.) Those amounts

per student also vary depending on the class-size model used. Some of the impacts of the assumptions and methodology decisions we made— which resulted in these lower costs— are as follows:

- We allocated fewer instructional staff. Using different average class-size models significantly affected the number of instructional staff positions we allocated to deliver what's mandated by statute, versus the number the comparison districts actually had. For example, for our prototype district with 15,000 students, assuming an average class size of 20 students resulted in an allocation of about 6% fewer instructional staff than the comparison districts actually had, while a class size of 25 students resulted in an allocation of about 24% fewer instructional staff.
- We allocated fewer non-instructional positions. For example, under both the 20 and the 25 class-size models for the 15,000 prototype district, we allocated about 21% fewer non-instructional positions than the comparison districts had. That's partly because we allocated most of these positions at the 33rd percentile.
- We allocated non-salary expenditures at the 33rd percentile. An example of the results: the non-salary expenditures we allocated were between 2% and 12% lower than the median level of historical expenditures. The average was about 9% across all prototypes, regardless of class size.

1.2: ESTIMATING BASE-LEVEL COSTS FOR REGULAR EDUCATION USING AN OUTCOMES-BASED APPROACH

This outcomes-based approach was designed to identify the estimated costs of meeting the performance outcomes standards adopted by the State Board of Education. For districts that are not meeting these outcomes, this approach will identify a level of spending that should give them the opportunity to achieve those outcomes, provided they spend their money effectively. For districts that are exceeding outcomes, the approach will identify a level of spending that would be sufficient to allow them to meet outcomes.

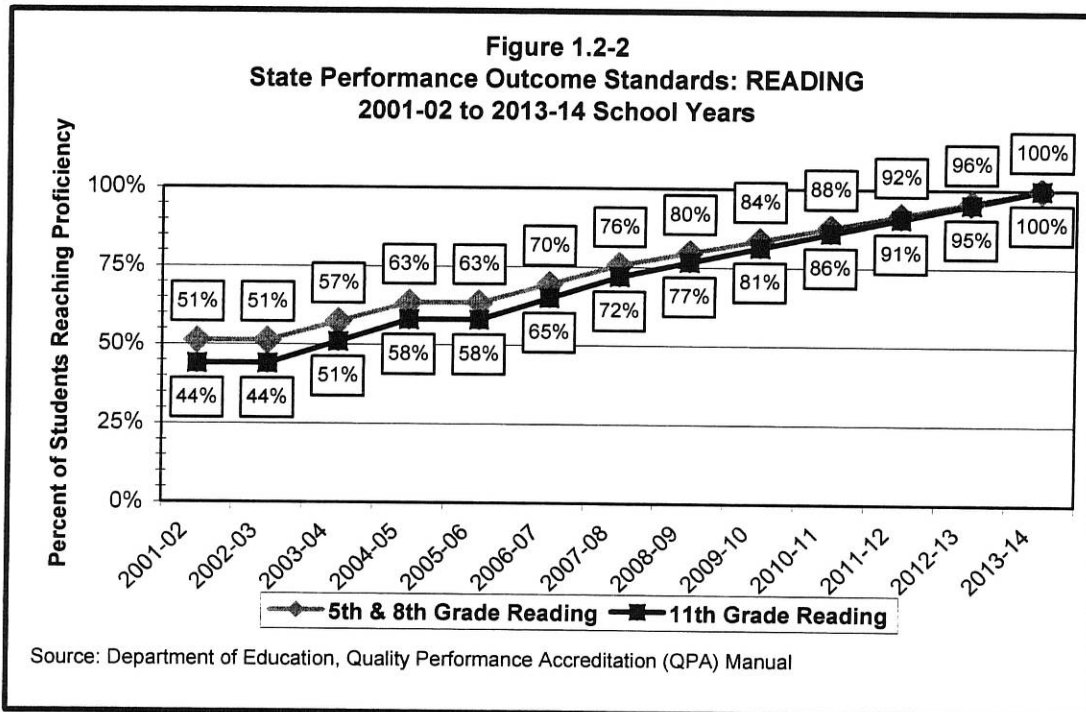
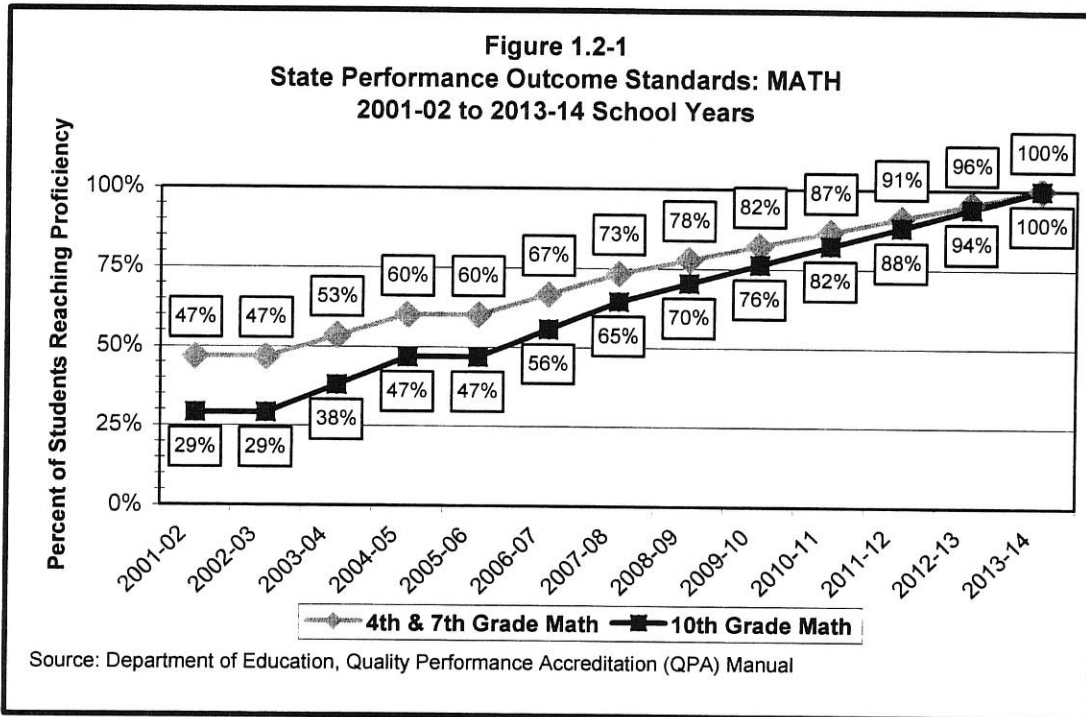
BACKGROUND: PERFORMANCE OUTCOMES ADOPTED BY THE STATE BOARD OF EDUCATION

Development of an accountability-based accreditation system for schools in Kansas dates back to 1988. The first schools were accredited under the Quality Performance Accreditation (QPA) system in 1995. Curriculum standards, Statewide assessments, and performance levels developed by the State Board of Education have been incorporated into QPA since 1996.

In 2001, the federal government reauthorized the Elementary and Secondary Education Act more commonly known as the "No Child Left Behind" (NCLB). NCLB requires coordination of the existing State accreditation system with the new federal standards. Among the most prominent of those standards is the requirement that all students reach proficiency on Statewide assessments in math and reading by the 2013-14 school year. In December 2002, the State Board of Education approved revised standards for QPA to meet the requirements of NCLB. These new standards went into effect July 1, 2005. The revised QPA system includes the following performance standards:

- **Graduation Rate** – 75% in all high schools or improvement over the previous year
- **Attendance Rate** – 90% in all elementary and middle schools
- **Participation Rate on Statewide Assessments** – 95% for total student population and for each student subgroup (i.e., Special Education, bilingual)
- **Statewide Assessments** – This standard measures the percent of all students who reach the "proficiency" level on the Statewide reading and math tests. The standards increase each year. In the 2013-14 school year, the standard is to have 100% of all students reach proficiency. **Figure 1.2-1** and **Figure 1.2-2** show the standards for math in reading from 2001-02 to 2013-14.

A Statewide assessment for writing will be included starting in 2007 and assessments in history/government and science will be included in 2008. The Board will set performance targets for these exams. Because they aren't covered by NCLB, the State Board of Education has indicated performance targets won't go all the way to 100%.



1-11

BACKGROUND: SELECTING AN OUTCOMES-BASED APPROACH

To find out how education cost studies estimate the cost of achieving educational outcomes, we reviewed more than 30 studies examining the cost of education in a number of states. Out of this literature, we found four basic approaches used in education research to estimate education costs:

- **Professional Judgment** – Teams of education professionals and other interested parties are convened to identify the inputs (staff, supplies, and equipment) necessary to provide students the opportunity to achieve the desired outcomes. The researchers then determine the cost of those inputs to estimate the cost of providing this type of education.
- **Evidence-Based** – Education benchmarks (such as prescribed student-teacher ratios) are used to identify the inputs necessary to provide students the opportunity to achieve the desired outcomes. As with “professional judgment,” the researchers then determine the cost of those inputs to estimate the cost of providing this type of education.
- **Successful Schools** – Researchers identify a set of schools or school districts that already meet a set of outcome standards. These districts’ spending is used to estimate what it would cost other districts to achieve the desired outcomes.
- **Cost Function Analysis** – Researchers use statistical tests to understand the relationships between districts’ historical costs and a variety of factors, such as district size, salary costs, the number of students with special needs, district efficiency, and student performance. The relationships are incorporated into a model that is used to estimate what it would cost each district to achieve the desired outcomes.

To better understand their relative strengths and weaknesses, we reviewed critiques of the four approaches, and consulted with a number of representatives of Kansas school districts, academic researchers, and staff from the National Conference of State Legislators (NCSL).

Based on our background research, we selected the cost function approach because we felt it was the best method for estimating districts’ costs to meet the State’s performance standards. *Figure 1.2-3* summarizes the key advantages and disadvantages of using the cost function approach.

Among others, Thomas Downes, a Tufts University economist who studies education finance, has compared the advantages and disadvantages of the four cost study approaches. In a 2004 paper on cost studies, Downes concluded that, despite its drawbacks, “the cost function approach is the most likely to give accurate estimates of the within-state variation in the spending needed to attain the state’s chosen standard, if the data are available and of a high quality.”

Figure 1.2-3
Summary of the Significant Advantages and Disadvantage of
Using the Cost Function Approach To Estimate Education Costs

Advantages	Disadvantages
<ul style="list-style-type: none"> • The approach is data-driven, using historical expenditures to provide reasonable estimates of what it should cost to meet the outcome measures adopted by the State Board of Education. • It accounts for the increased costs of educating disadvantaged and special-needs students in a district. • The approach takes into account differences in districts' input costs—primarily differences in teacher salaries. • The approach attempts to identify inefficient spending and exclude it from the estimate of what it should cost to meet the performance standards. 	<ul style="list-style-type: none"> • The approach requires complex statistical techniques, which can make it more difficult to understand the process than with the other approaches. • Because the cost function analysis relies entirely on historical data, the available data must be complete and of high-quality. • The cost function analysis estimates how much it should cost to meet performance standards, but provides no information on what to spend money on. • Although the approach attempts to exclude inefficient spending from its cost estimates, the fact that efficiency can't be measured directly makes this difficult. As a result, indirect measures of efficiency ("efficiency-related" variables) are selected based on theory and previous research, but there is no consensus on which measures are most closely related to efficiency.

BACKGROUND: SELECTING CONSULTANTS

A cost function analysis requires the use of very sophisticated statistical techniques and an extensive knowledge of the factors that affect educational costs. Because we lacked that expertise in-house, we contracted with Drs. William Duncombe and John Yinger from the Maxwell School's Center for Public Research at Syracuse University.

These consultants helped pioneer the use of the cost function analysis in school finance research, and are among a handful of researchers nationwide that use this approach. They were selected based on our review of the reports they've published, their availability, and their familiarity with school finance in Kansas—Dr. Duncombe published an evaluation of the State's school funding system in 1998 (updated in 2004).

OUTCOMES-BASED APPROACH: METHODOLOGY

As we noted earlier, under the cost function approach researchers use statistical tests to understand the relationships between certain factors and districts' historical spending per student. Here are the factors included in this type of analysis:

- district size
- student characteristics (for example, student poverty)
- teacher salaries
- student performance
- district efficiency

Several steps are involved in using the cost function approach to estimate the cost of meeting performance outcome standards. We've briefly summarized the steps below, but discuss them in detail in **Appendix 1.2**. For a technical discussion of the statistical techniques used in the cost function analysis, see **Appendix 17**, pages C-44 to C-52.

- 1. Identifying, collecting, and preparing the data for the statistical analysis.** We collected and prepared five years of data (1999-00 to 2003-04) that were available from the Department of Education on all Kansas school districts. The data we collected included district expenditures, enrollments, student characteristics, teacher salaries, student performance, and indirect measures of district efficiency.
- 2. Analyzing the data to build a cost model.** The consultants used sophisticated statistical regression techniques to analyze the data and examine the relationships between the five factors listed earlier and historical spending. Essentially, the cost function approach uses statistics to isolate each factor and see how it affects costs. For example, all other things being equal, how much of a spending increase is associated with an increase in the percent of students in poverty? All the relationships are compiled in a mathematical equation called a "cost model."
- 3. Using the cost model to estimate the base-level cost of meeting performance outcome standards, and developing student weights for enrollment, poverty, and bilingual students.** To estimate the base-level cost per student, the consultants used the cost model to calculate the cost of meeting the State outcome standards in a hypothetical district that is optimally-sized, pays average teacher salaries, has no students with special needs, and operates with above-average efficiency. Next, the consultants used the cost model to estimate how much more than the base-level it would cost to educate students in smaller districts, students who are in poverty, and bilingual students. These differences in costs were used to develop a set of student weights.

Because the original spending data used in building the cost model included federal sources of funding, the estimated base-level costs and student weights include costs that would be paid for with federal funds. To put these figures on a comparable basis with the input-based approach, and to better reflect the costs the State might fund, we removed federal funding from the base-level costs and student weights. We had to assume that the relationship of State and federal funding would stay relatively constant.

Finally, we didn't try to compute the estimated cost of meeting the "safe harbor" provisions in the Board of Education's QPA standards, because that would have required us to produce a different base-level cost for some districts, instead of a single base-level cost that could be applied Statewide. (Under the safe harbor provision of the QPA standards, districts that don't meet the performance outcomes standards outright can still make adequate yearly progress if they make enough improvement from the previous year.)

Throughout the process, we maintained regular contact with the lead consultant and held several face-to-face meetings. During each step of the process we reviewed the methods and assumptions that were used in the analysis and made key decisions.

COST STUDY: RESULTS OF THE OUTCOMES-BASED COST MODEL

The cost function analysis can be used to estimate the cost of meeting performance outcome standards in different districts, taking into account a variety of factors including the size of the district and the special needs of some of its students. The results of the cost function analysis are as follows (see **Appendix 16** for results by district):

1. ESTIMATED BASE-LEVEL COST OF MEETING OUTCOMES

The estimated base-level cost of meeting the 2005-06 performance outcome standards set by the Board of Education is \$4,167 per student. That amount is \$90 per student less than the current Base State Aid Per Pupil of \$4,257. The consultants' estimate of the base-level cost of meeting the standards was \$4,024 per student. In order to use that estimate as a basis for what the State might fund, however, we made several adjustments:

- **Remove federal sources of funding.** The cost model was built using historical spending data that included federal sources of funding because those expenditures likely contributed to student outcomes. As a result, however, the consultants' estimate of base-level costs included costs that would be paid for with those federal funds. We reduced the estimated base-level costs to \$3,899 per student, which better reflects the costs the State might fund. We describe how we removed the federal funds in detail in **Appendix 1.2**.
- **Adjust for inflation.** The consultants' original estimate and our estimate (adjusted to remove federal funding) of the base-level cost of meeting standards were based on 2003-04 dollars. We had to increase the estimated base-level costs to account for inflation between the 2003-04 school year and the 2005-06 and 2006-07 school years. After adjusting for inflation, our estimate of the base-level cost of meeting standards in 2005-06 is \$4,167 per student.

Figure 1.2-4 compares our estimated base-level cost per regular education student of meeting the performance outcome standards with the Base State Aid Per Pupil in the current funding formula.

Figure 1.2-4
Comparison of Base Cost Per Student
COST FUNCTION ESTIMATES vs. CURRENT FUNDING FORMULA
2005-06 and 2006-07 School Years

School Year	Base Cost Per Student ESTIMATED WITH COST FUNCTION			Base State Aid Per Pupil CURRENT FORMULA	Difference Per Student
	Original Estimate by Consultants	Adjusted by LPA to Remove Federal Funds	Adjusted by LPA for Inflation		
2005-06	\$4,024	\$3,899	\$4,167	\$4,257	(\$90)
2006-07	\$4,346	\$4,221	\$4,659	\$4,257	\$402

Source: LPA analysis of Duncombe and Yinger cost estimates.

As the figure shows, the estimated base-level cost of meeting the standards increases in 2006-07 to \$4,659, which is \$402 per student more than the current Base State Aid Per Pupil. Our estimate for 2006-07 increases in part because of inflation, but also because the standards are higher in 2006-07. For example, between 2005-06 and 2006-07, the standard for 10th grade math increases from 47% proficiency to 56%, and the standard for 5th grade reading increases from 63% proficiency to 70%.

The estimated base-level cost of meeting standards will continue to increase significantly in future years, because the standards adopted by the Board increase each year until 2013-14 (when 100% of all students are required to reach proficiency on Statewide assessment tests).

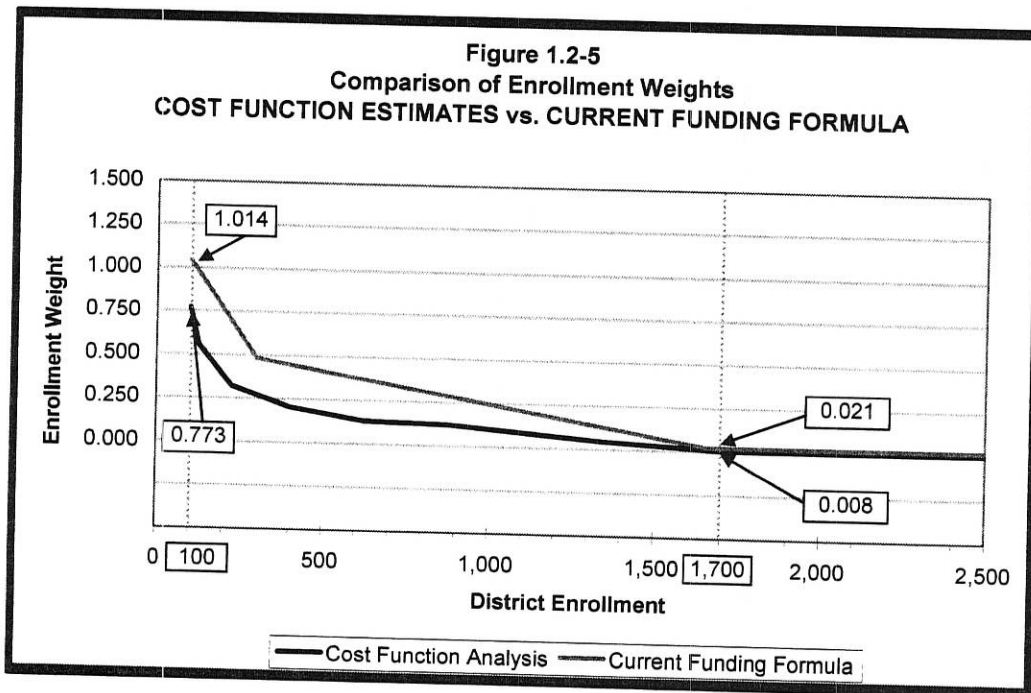
In estimating the base-level cost, the cost function brings every district to a single performance standard. For districts that don't currently meet the performance standard, this base-level cost is likely (though not necessarily) more than their current spending. Conversely, for districts that currently exceed the performance standard, this base-level cost is likely to be less than their current spending.

In either case, spending at this base-level doesn't guarantee a district will meet the performance standard (especially in the short-term for districts that currently fail to meet the standards). But it should give districts the opportunity to meet the performance standards, if the money is used efficiently and effectively.

2. ESTIMATED ENROLLMENT WEIGHTS

The enrollment weights estimated with the cost function are lower than those in the current formula, especially for very small districts. Education research has shown that a district's size can significantly affect the cost of educating students. Specifically, smaller districts tend to cost more because they have smaller class sizes (and therefore relatively more teachers), and fewer students over whom they can spread their fixed administrative costs.

We used the cost function to estimate the additional cost of educating students in districts of different sizes—also known as enrollment weights. *Figure 1.2-5* compares the enrollment weights estimated using the cost function to the weights in the current funding formula.



As the figure shows, the enrollment weights estimated using the cost function bottom out at an enrollment level of about 1,700, and are consistently lower than the weights in the current

formula for smaller districts. The cost function estimates that districts with 100 or fewer students should receive an additional weighting of .773—meaning it would cost about 77% more than the base-level cost for students in these districts to have the opportunity to meet the desired education outcomes. This is significantly less than the weighting of 1.014 in the current formula.

For districts with an enrollment level above 1,700, the cost function enrollment weight (.008) is one-third as much as the correlation weight in the current formula (.021).

3. **ESTIMATED POVERTY AND BILINGUAL WEIGHTS**

The estimated **poverty weight** is .484 per free-lunch student in most school districts, and .726 per free-lunch student in high-poverty, inner-city school districts. The estimated **bilingual weight** is .100 per bilingual student. Student poverty and limited English proficiency are two factors that negatively affect student performance. These two factors and their effect on education costs are recognized through the at-risk and bilingual weights in the current funding formula.

The consultants used the cost function to estimate districts' additional costs (above base-level costs) of having poverty and bilingual students reach the same performance levels that other students were achieving (whether or not the other students were meeting standards), and to develop poverty and bilingual weights in each district. We had to take two additional steps to turn their estimated district-level poverty and bilingual weights into estimated Statewide weights:

- **Estimate a separate poverty weight for high-poverty, inner-city school districts.** Urban poverty is associated with a variety of more serious social problems, including drugs and violent crime. Because our consultants cited evidence suggesting inner-city poverty has more of an effect on costs than rural poverty, we included an additional measure of inner-city poverty in our cost model—the percent of students qualifying for free lunch multiplied by the student density of a district. To estimate a Statewide inner-city poverty weight, we averaged the district-level weights estimated by the consultants for large and mid-sized cities (as defined by the U.S. Census) with above-average poverty. There were four of these districts—Kansas City, Kansas City-Turner, Topeka, and Wichita.
- **Remove federal sources of funding.** As was the case with base-level costs, the poverty and bilingual weights estimated by the consultants also included costs that could be paid for with those federal funds. Therefore, we had to reduce these weights to better reflect the costs the State might fund.

Figure 1.2-6 shows our estimated poverty and bilingual weights and the weights in the current funding formula.

Figure 1.2-6 Comparison of Poverty and Bilingual Weights COST FUNCTION ESTIMATES vs. CURRENT FUNDING FORMULA				
Weight	Weight ESTIMATED WITH COST FUNCTION		Weight CURRENT FUNDING FORMULA	Difference
	Original Estimated Weight	Adjusted by LPA to Remove Federal Funds		
Poverty				
Regular	0.703	0.484	0.193	(0.291)
High-Poverty, Inner City	1.054	0.726	---	(0.726)
Bilingual	0.139	0.100	0.395	---(a)

(a) Whereas the bilingual weight in the current formula uses bilingual FTE (which is based on contact hours), the weight from the cost function is based on bilingual headcount, making these weights uncomparable.

Source: LPA analysis of Duncombe and Yinger cost estimates.

As the figure shows, the estimated poverty weight for most districts is **.484**. That weight implies that it would cost almost 50% more than the estimated base-level costs for students in poverty to achieve the same performance levels that other students are achieving. This is significantly higher than the at-risk weight in the current formula (.193).

In the four inner-city districts with high poverty (Kansas City, Kansas City-Turner, Topeka, and Wichita), the estimated poverty weight is .726, which recognizes that the cost of educating students in these types of districts is even greater. There is no separate urban-poverty weight in the current funding formula.

Figure 1.2-6 also shows that the estimated bilingual weight is **.100**. This is significantly lower than the current bilingual weight of .395, but it's important to note that these two weights aren't really comparable for the following reasons:

- The bilingual weight estimated by the **cost function** is based on bilingual headcount (the number students in a district who have limited English proficiency)
- The bilingual weight used in the **current funding formula** is based on bilingual student FTE, which is calculated on the number of contact hours bilingual students spend with bilingual-endorsed teachers (see Section 2.2 of this report for additional information).

Bilingual FTE, as it is calculated in the current funding formula, is a very poor measure of the number of bilingual students in a district. That's because many bilingual services are being provided to bilingual students in settings or districts where there are no "bilingual-endorsed" teachers (the only contact hours that are counted for funding purposes). In Wichita, for example, only 2,923.5 bilingual FTE students were counted for funding purposes in 2004-05, but Wichita reported serving 5,342 bilingual students that year on a headcount basis.

The bilingual weight estimated by the cost function may be low for a number of reasons. Among them:

- there's a strong correlation between bilingual and free-lunch students, so the cost function analysis may have assigned part of the additional costs for bilingual students to at-risk students. (In 2003-04, Department data show that 73% of the students who took the Statewide assessment tests were reported as being both bilingual and eligible for free lunches.) Department guidelines for 2006-07 have clarified that students who are bilingual can be served with at-risk moneys.
- the headcount of bilingual students that districts report may not be completely accurate. As explained in Section 2.2, some districts may not be reporting all their bilingual students, and others may not be reporting them uniformly.

Nonetheless, using bilingual headcount data provides the best available measure to use in computing a bilingual weight. If funding were based on bilingual headcounts, those data would be audited and likely would be reported more accurately over time.

4. VARIATIONS IN COSTS

District size, student characteristics, teacher salaries, and district efficiency appear to explain a lot of the variation in district spending per student. On average, school districts spent \$6,887 per student in 2003-04. However, there was a tremendous amount of variation. Spending ranged from \$4,915 to \$12,684. The cost function analysis found that the following contributed to increased per-student spending:

- smaller districts spent more than larger districts
- districts with more students in poverty or more bilingual students spent more
- districts that paid higher teacher salaries spent more

When we controlled for size, student characteristics, salary levels, and student performance in the cost model, there still were large variations in spending. We used the cost model to predict what all districts would have spent per student in 2003-04 to achieve the same outcomes they actually achieved if they all operated at an average level of efficiency. When we compared these estimates to what districts actually spent per student, we found 20 districts that spent at least 20% more than the cost model predicted (controlling for the factors noted above), and another nine districts that spent at least 20% less than predicted.

To get a better understanding of why actual spending in these 29 districts was so different from what the cost model predicted, we examined information on district staffing from the Department of Education. **Figure 1.2-7** summarizes what we found.

Figure 1.2-7 Analysis of Staffing Levels in Districts That Spent Significantly More or Less Than Predicted 2003-04 School Year		
Staff per 100 Students	How actual district spending in 2003-04 compared to what the cost function predicted:	
	Spent at least 20% <u>more</u> than the cost function predicted <i>(20 districts)</i>	Spent at least 20% <u>less</u> than the cost function predicted <i>(9 districts)</i>
Certified Staff per 100 Students (Statewide average = 7.2)	19 districts had <u>more</u> staff than average. RANGE: 7.9 – 22.0	6 districts had <u>less</u> staff than average. RANGE: 5.7 – 7.0
Certified Administrators per 100 Students (Statewide average = 0.5)	19 districts had <u>more</u> staff than average. RANGE: 0.6 – 2.6	3 districts had <u>less</u> staff than average. RANGE: 0.3 – 0.4
Non-Certified Staff per 100 Students (Statewide average = 4.6)	18 districts had <u>more</u> staff than average. RANGE: 4.7 – 16.1	6 districts had <u>less</u> staff than average. RANGE: 3.2 – 4.4
Total Staff per 100 Students (Statewide average = 12.3)	19 districts had <u>more</u> staff than average. RANGE: 13.6 – 35.9	6 districts had <u>less</u> staff than average. RANGE: 9.6 – 11.9

Source: LPA analysis of cost function results and Department of Education data.

With a few exceptions, districts that spent significantly more than the cost model predicted they'd spend were more heavily staffed than the average district in the State. Likewise, districts that spent significantly less than predicted tended to have fewer staff. These results suggest at least some of the variation in spending can be attributed to relatively efficient and inefficient staffing levels.

5. OTHER FINDINGS

We found a strong association between the amounts districts spend and the outcomes they achieve. In the cost function results, a 1.0% increase in district performance outcomes was associated with a 0.83% increase in spending—almost a one-to-one relationship. This means that, all other things being equal, districts that spent more had better student performance. The results were statistically significant beyond the 0.01 level, which means we can be more than 99% confident there is a relationship between spending and outcomes.

Testimony on

HB 2105

House Education Committee

Presented by: Cheryl L. Semmel, Executive Director

Wednesday, February 4, 2009

The mission of United School Administrators of Kansas (USA|Kansas*), through collaboration of member associations, is to serve, support, and develop educational leaders and to establish USA|Kansas as a significant force to improve education.

Education administrators remain committed to ensuring that each and every child in Kansas receives a quality education that will help them reach their potential and become successful, productive adults. There are 465,000 students in our public schools that we strive to impact positively every single day. As you know, Kansas students are making unprecedented academic achievement and we are on a path of continuous improvement.

The 2009 Legislative Session promises to be one of the most challenging in the history of our state, as we face an economic downturn of global proportions. As one of those charged with leading our state through the budget and revenue crisis we are currently facing, I know you will be called on to make some of the most weighty decisions of your legislative service.

I am here today in support of HB 2015. In a time of growing uncertainty over matters such as budget shortfalls, teacher shortages and time constraints, we appreciate your efforts to provide some flexibility during these extraordinary times.

Administrators do not make decisions about reductions in workforce lightly and are committed to addressing workforce issues responsibly. Beyond the most immediate impact in the classroom, workforce reduction in K-12 education would result in increased unemployment in many of our communities across Kansas. K-12 education is a major workforce in Kansas – both directly and indirectly. From the district and building level personnel to contracted vendors, these individuals support local economies in many ways, whether it be supporting local retail or contributing to the tax base. In some of our small communities, with limited employment options, these individuals and families will relocate entirely – having a devastating, long-term impact on local communities.

Kansas statute 72-5437 established May 1 as the deadline by which local boards of education must notify teachers of their intent to non-renew a teacher's contract. If the local board does not notify a teacher of its intent to non-renew that teacher's contract by May 1, the teacher is then covered by continuing contract and automatically rehired for the next year.

House Education Committee
Date 2-4-09
Attachment # 2

Recent history demonstrates that the state budget has often not been determined until after May 1. As a result, school districts have had to make employment decisions (by May 1) before budgets are set

Unfortunately, we are in a period of great economic uncertainty. As districts prepare for budget rescissions this year and anticipate further cuts next year, the only choice many districts will have is to nonrenew all nontenured teachers on May 1, wait for final budget news, and then hope they can re-hire the staff they did not want to release in the first place. **This will have an impact on not only on school programs and operations, but will impact local communities.**

HB 2015 would allow districts, for a limited period of time, to notify teachers of non-renewal to a reasonable number of days following the adoption of the state budget. This would allow school districts to make decisions based on more accurate information about the financial resources available to the district.

Administrators remain committed to ensuring a quality education for each child. They are communicating regularly with staff – instructional and non-instructional – as they prepare for anticipated cuts and remain focused on that common goal.

In closing, on behalf of education administrators, I would like to thank you for your continued support of education and for realizing the importance of investing in education. Preparing our children requires a shared commitment, collaboration, and open dialogue among all stakeholders. Thank you for being partners in education.

*USA|Kansas represents more than 2,000 individual members and ten member associations:

Kansas Association of Elementary School Principals
Kansas Association of Middle School Administrators
Kansas Association of School Administrators
Kansas Association of School Business Officials
Kansas Association of School Personnel Administrators
Kansas Assoc for Supervision and Curriculum Development
Kansas Association of Special Education Administrators
Kansas Association of Secondary School Principals
Kansas Council of Career and Technical Education Administrators
Kansas School Public Relations Association

Testimony in support of House Bill 2105
By, Dr. David Brax
Buhler USD 313 Superintendent of Schools
February 4, 2009

This written testimony is based on a series of conversations with fellow administrators and with the Buhler USD 313 Board of Education. I believe that House Bill 2105 would positively impact non-tenured teachers throughout the state and would alleviate some arbitrary time constraints on school administrators and boards of education to make staffing decisions.

“Rethinking teachers’ continuing contract renewal date”

Kansas statute 72-5437 sets May 1 as the date by which boards of education must notify teachers of their intent to non-renew a teacher’s contract. If notification is not given by that date, a teacher’s contract is automatically extended for an additional year.

Because of the budget shortfall facing the Kansas legislature, all school districts are facing budget reductions. Recent history shows that the Kansas legislature continues to work on school finance legislation beyond May 1. This has been a concern in years past, but with significant budget reductions facing all of the Kansas school districts, the date becomes critical. Because the budget cuts will be significant, if a school budget bill is not passed and signed into law by May 1, many school districts will be forced to non-renew all non-tenured teachers and only hope to hire them back after finance legislation is complete. I have strong reservations about using this procedure. I believe that:

- May 1 is an arbitrary date and teachers’ continuing contracts should not be bound to it.
- Dismissing non-tenured teachers while waiting on a finance bill could be viewed as unprofessional.
- Dismissing non-tenured, although highly qualified, teachers while waiting for a finance bill would be demoralizing.
- Dismissing non-tenured teachers causes unnecessary concern to many Kansas teachers who are financially most vulnerable. (Most non-tenured teachers are younger, have families and are in debt through student loans for college.)
- Kansas is experiencing a teacher shortage. By arbitrarily non-renewing teachers before May 1 several teachers could leave the profession.

I believe that House Bill 2105 fully addresses these problems.

- It allows administrators and boards of education 15 days after a school finance bill is finalized to make employment decisions on financial reality not speculation.
- It allows administrators and boards of education to quickly meet their budget reductions in a planned, systematic way.
- It provides administrators and boards of education a professional time-structure to make staffing decisions.
- It shows that we value our teachers and it allows school administrators and boards of education to make professional decisions.

Therefore, I encourage you to support passage of House Bill 2105.

House Education Committee
Date 2-4-09
Attachment # 3



House Education
Representative Aurand, Chair

H. B. 2105 – Notice of nonrenewal

*Submitted by Diane Gjerstad
Wichita Public Schools*

February 4, 2009

Mr. Chairman, members of the Committee:

During this difficult fiscal period, we rise in general support of HB 2105 which amends the continuing contract law for teachers and administrators by moving the date Districts are require to notice non-renewal to 15 days after the budget is signed by the Governor.

Because Wichita Public Schools has a reduction in force policy in the bargaining agreement with the United Teachers of Wichita, we would ask the committee allow for a district to use either current law or the proposed language in (c). However, the district does not have a reduction in force policy for administrators. For this reason we would like the option to exercise the new language on page 2, section 2 (c) which would extend the deadline to notify administrators.

Mr. Chairman, we would ask the provisions in (c) be optional for teachers; and the bill clearly allow a District to use either option for teachers and administrators to best deal with staffing issues within their district.

Thank you, Mr. Chairman for considering our concerns.

House Education Committee
Date 2-4-09
Attachment # 4



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Testimony on

HB 2105

House Education Committee

Prepared by: Dr. John R. Morton, Superintendent and
Dr. Mike Clagg, Assistant Superintendent for Human Services

Wednesday, February 4, 2009

In a time of growing uncertainty over matters such as budget shortfalls, teacher shortages and time constraints, a rather simple idea could provide some relief for Kansas school districts. While this idea may not be a permanent solution over the long-term, it certainly might provide some short-term relief.

Kansas statute 72-5437 sets the date by which local boards of education must notify teachers of their intent to non-renew a teacher's contract as May 1. If the local board does not notify a teacher of its intent to non-renew that teacher's contract by May 1, the teacher is then covered by continuing contract and automatically rehired for the next year.

Recent history demonstrates that the state budget has often not been determined until after May 1. As a result, school districts have had to make employment decisions (by May 1) before budgets are set (sometimes up to two months later). **The only choice many districts will have this year is to non-renew all non-tenured teachers on May 1, wait for final budget news, then hope they can hire back staff they did not want to release in the first place. Such a procedure creates needless hardships and stress for non-tenured staff. In the Newton district alone, we currently have 80 non-tenured certified staff.**

One possible solution to this dilemma would be to move the date to notify teachers of non-renewal to a reasonable number of days following the adoption of the state budget. This would allow school districts to know their financial ability to retain staff before they have to make employment decisions about them. **Not only could moving the date back forestall unnecessary unemployment of thousands of teachers, it could also make for more responsible financial planning. To us, it appears to be a much more humane way of dealing realistically with any staff reductions which might occur rather than arbitrarily non-renewing all non-tenured staff.**

If adopted, this provision could "sunset" after a short period of time. But given the current financial climate, it may be a suggestion whose time has come.

House Education Committee
Date 2-4-09
Attachment # 5

KANSAS
ASSOCIATION



OF
SCHOOL
BOARDS

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

Testimony before the
House Education Committee

on
HB 2105
by

Mark Tallman, Assistant Executive Director/Advocacy
Kansas Association of School Boards

February 4, 2009

Mr. Chairman, Members of the Committee:

Thank you for the opportunity to comment on **HB 2105**. This bill would change the teacher and administration contract notification dates from the current May 1, and May 15 dates if the General State Aid Appropriations Bill is not signed by the Governor by April 16. KASB appears in opposition to this bill for several reasons.

First, our members have previously adopted a specific policy position supporting the May 1 and May 15 dates. This policy was adopted after a period of time when legislative school finance decisions were being pushed back later and later. The consensus of our members at that time was a specific date should be set and not subject to change each year. No effort has been made to change that policy in our Delegate Assembly.

Second, even if our policy was not so specific, the experience of our legal and labor relations staff is that the dates should not be changed. Although boards may appreciate more time to make decisions about non-renewing teachers, the delay also gives teachers more time to indicate whether they wish to accept the contract, which will further delay district staffing decisions. In addition, many district negotiated agreements also contain notice dates and reduction in force procedures that would either not be changed by this bill, or would be in conflict with this bill.

-OVER-

House Education Committee
Date 2-4-09
Attachment # 6

Third, we believe there are technical issues in attempting to tie the notice date to legislative action. **HB 2105** refers to “whenever a bill containing the appropriation from the State General Fund for General State Aid for the ensuing school year has not been approved by the Governor on or before April 16.” Generally, this would be the “mega” appropriations bill. Given the fact this bill usually does not pass until the very end of the regular session, it may be quite common for the Governor to have failed to take action by April 16. But it is also very possible that the amount of school funding on which employment decisions will be made will be changed by the Omnibus bill, which is never completed by April 16. That is certainly a possibility if the April estimates are dramatically reduced in a given year.

Therefore, KASB believes that the current contract notice dates should remain in place, and opposes **HB 2105**.

Thank you for your consideration. I will be happy to respond to questions.



Mark Desetti, Testimony
House Education Committee
February 4, 2009

House Bill 2105

Mr. Chairman, members of the Committee, thank you for the opportunity to share our thoughts on House Bill 2105.

There is one thing that both the proponents and opponents of this bill probably agree on. Given the level of cuts in education funding contemplated for this year and next, reductions in the number of staff members are likely inevitable. There are lots of Kansas school children who will do without the benefit of a counselor or school nurse or librarian. In some cases, class size will increase, reducing the opportunity for extra time each child might have with the teacher.

We have been working to remind lawmakers that each Kansas child gets only one chance at first grade; a Kansas high school student gets only one chance at Algebra II or Physics. The opportunity these children have for a quality education should not be subject to fluctuations in the economy. But that apparently is the sad lesson of these times.

Teachers are workers – just like those at Boeing or Sprint or even Caterpillar tractor. They work to feed their families and make their house payments just like any other worker. And if reductions in staff are going to come, we believe that they ought to be given the opportunity to seek other employment opportunities.

You have probably heard how difficult it is to tell a teacher he or she has to be laid off; that there is a negative effect of getting that news. Of course there is. Just as there is for any worker who faces a reduction.

But we believe that by using the May date, a teacher has a better opportunity to find work somewhere else. It puts him or her in the job market all the sooner.

Many teachers will simply stay where they are and hope that they will be called back. Others cannot face the possibility of unemployment and the longer they wait to get into the job search, the less likely it is that they will find another position.

House Bill 2105 essentially strings teachers along. We appreciate the fact that school administrators would rather hold on to the people they have. But holding on to a person for an extra month or more could mean the difference between a job and the unemployment line.

The system we have right now works. We see no reason to change it.