

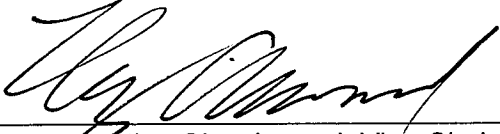
FY 2012

HOUSE EDUCATION BUDGET COMMITTEE

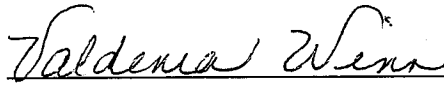
Department of Education



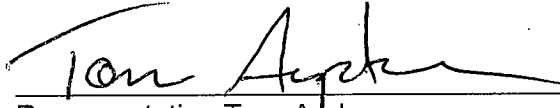
Representative Lana Gordon, Chair



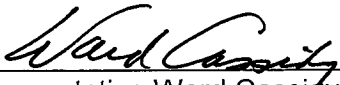
Representative Clay Aurand, Vice-Chair



Representative Valdenia Winn,  
Ranking Minority Member



Representative Tom Aioke



Representative Ward Cassidy

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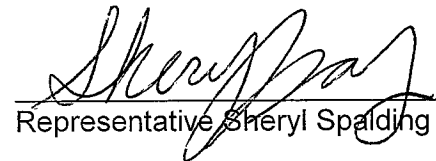
Representative Bill Feuerborn

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Representative Brenda Landwehr

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Representative Connie O'Brien



Representative Sheryl Spalding

Appropriations Committee

Date March 9, 2011

Attachment 7

# House Budget Committee Report

**Agency:** Department of Education

**Bill No. --**

**Bill Sec. --**

**Analyst:** Cussimano

**Analysis Pg. No. --**

**Budget Page No. 270**

Expenditure Summary	Agency Estimate FY 2011	Governor Recommendation FY 2011	House Budget Committee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 3,177,419,110	\$ 3,019,278,324	\$ 0
Other Funds	752,971,072	859,959,232	0
Subtotal	\$ 3,930,390,182	\$ 3,879,237,556	\$ 0
<b>Capital Improvements:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	\$ 0	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 3,930,390,182</b>	<b>\$ 3,879,237,556</b>	<b>\$ 0</b>
FTE positions	210.3	210.3	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
<b>TOTAL</b>	<b>210.3</b>	<b>210.3</b>	<b>0.0</b>

## Agency Estimate

The **agency** estimates an FY 2011 budget of \$3.9 billion, including \$3.2 billion from the State General Fund. This is an all funds increase of \$229.0 million, or 6.2 percent, and a State General Fund increase of \$204.2 million, or 6.9 percent, above the amount approved by the 2010 Legislature. Included in the estimate is a supplemental request of \$72.2 million, all from the State General Fund, for General State Aid, Supplemental General State Aid, and state aid for educational services provided to students confined in juvenile detention facilities and other institutions. Absent the supplemental request, the estimate is an all funds increase of \$156.8 million, or 4.2 percent, and a State General Fund increase of \$132.0 million, or 4.4 percent, above the amount approved by the 2010 Legislature. The State General Fund increase is due to reappropriations totaling \$132.0 million. Of that amount, \$131.8 million was reappropriated in General State Aid, Supplemental General State Aid, and KPERS-School employer contribution payments. Due to the state's financial condition, the payments which were scheduled for June 2010 were delayed and subsequently paid to school districts in July 2010. The increase also includes \$184,882, all from the State General Fund, in reappropriations for Special Education, the Governor's Teaching Award program, and agency operations. The estimate includes funding for 210.3 FTE positions, which is the same as the amount approved by the 2010 Legislature.

Appropriations Committee

Date March 9, 2011

Attachment 7-2

## Governor's Recommendation

The **Governor** recommends an FY 2011 budget of \$3.9 billion, including \$3.0 billion from the State General Fund. This is an all funds decrease of \$51.2 million, or 1.3 percent, and a State General Fund decrease of \$158.1 million, or 5.0 percent, below the agency revised FY 2011 estimate. The State General Fund decrease is mainly attributed to the Governor's recommendation to lapse \$85.9 million, all from the State General Fund, for General State Aid and offset the reduction with \$85.9 million in federal Education Jobs (EduJobs) funds. Overall, the state received \$92.5 million in EduJobs funds. Of this amount, \$60,000 is for administrative expenses associated with the funds. The remaining \$6.4 million in EduJobs funds will be distributed directly to school districts under the General State Aid formula. The Governor did not recommend any of the agency's supplemental requests, which total \$72.2 million, all from the State General Fund.

The Governor also recommends deleting \$300,000, all from the Children's Initiatives Fund, to keep the fund solvent due to a decrease in revenues. Of this amount, \$119,630 is from the Kansas Pre-School program, formerly known as the Pre-K Pilot, and \$180,370 is from the Parent Education (Parents As Teachers) program.

## House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation with the following adjustments:

1. Delete \$26.5 million, all from the State General Fund, from KPERS-School in FY 2011 for Special Education maintenance of effort under the Individuals with Disabilities Education Act (IDEA) 612(a)(18). Section 612(a)(18) states that a state may not reduce the amount of state financial support for Special Education below the amount of support for the preceding year. Even if a waiver is granted, the higher year of support is still applicable when calculating the maintenance of effort requirement. If the State cannot meet the amount of state financial support for education, a waiver may be requested. The calculation to reach the above dollar amount assumes that in FY 2011 the Department of Education will apply for and be granted a waiver for special education in the same manner in which the application was made, and granted, for FY 2010.
2. Add \$26.5 million, all from the State General Fund, to Special Education for maintenance of effort in FY 2011.

Appropriations Committee

Date March 9, 2011

Attachment 7-3

# House Budget Committee Report

**Agency:** Department of Education

**Bill No. --**

**Bill Sec. --**

**Analyst:** Cussimanio

**Analysis Pg. No. --**

**Budget Page No. 270**

Expenditure Summary	Agency Request FY 2012	Governor Recommendation FY 2012	House Budget Committee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 3,573,557,762	\$ 3,010,888,775	\$ 52,287
Other Funds	594,649,538	611,973,938	0
Subtotal	\$ 4,168,207,300	\$ 3,622,862,713	\$ 52,287
<b>Capital Improvements:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	\$ 0	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 4,168,207,300</b>	<b>\$ 3,622,862,713</b>	<b>\$ 52,287</b>
FTE positions	210.3	173.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
<b>TOTAL</b>	<b>210.3</b>	<b>173.0</b>	<b>0.0</b>

## Agency Request

The **agency** requests an FY 2012 budget of \$4.2 billion, including \$3.6 billion from the State General Fund. This is an all funds increase of \$237.8 million, or 6.1 percent, and a State General Fund increase of \$396.1 million, or 12.5 percent, above the revised FY 2011 estimate. The agency request includes an enhancement request totaling \$457.7 million, including \$457.6 million from the State General Fund. Absent the enhancement, the request would be \$3.7 billion, including \$3.1 billion from the State General Fund. This is an all funds decrease of \$219.8 million, or 5.6 percent, and a State General Fund decrease of \$61.5 million, or 1.9 percent, below the revised FY 2011 estimate. The revised FY 2011 estimate includes \$107.6 million in federal American Recovery and Reinvestment Act (ARRA) funds which are not included in the FY 2012 budget. In addition, the agency included a supplemental request totaling \$72.2 million, all from the State General Fund, in the revised FY 2011 estimate which does not carry forward. These reductions are offset by an increase of \$28.3 million, all from the State General Fund, to cover increases in KPERS-School employer contributions and \$8.3 million, all from the State General Fund, for employee health insurance increases. The request includes 210.3 FTE positions, the same as the revised FY 2011 estimate.

## Governor's Recommendation

The **Governor** recommends an FY 2012 budget of \$3.6 billion, including \$3.0 billion from the State General Fund. This is an all funds decrease of \$545.3, or 13.1 percent, and a

Appropriations Committee

Date March 9, 2011

Attachment 7-11

State General Fund decrease of \$562.7 million, or 15.7 percent, below the agency request. The Governor did not recommend any of the agency's enhancement request totaling \$457.7 million, including \$457.6 million from the State General Fund. The Governor also recommended implementing a 5.0 percent reduction in operating expenditures totaling \$554,933, all from the State General Fund. Included in the agency's FY 2011 budget was \$111.3 million in federal ARRA funds which were used to supplant State General Funds in FY 2011. The Governor does recommend replacing any federal ARRA funds with State General Funds in FY 2012. Based on the current estimate of 666,428 for weighted enrollment, the Base State Aid Per Pupil would be reduced from \$3,937 in FY 2011 to \$3,780 in FY 2012. The Governor did recommend an additional \$5.9 million, all from the State General Fund, for special education in order to meet federal maintenance of effort requirements. In addition, the Governor recommends deleting 37.3 vacant FTE positions.

### House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation with the following adjustments:

1. Delete \$26.5 million, all from the State General Fund, from General State Aid in FY 2012. This would result in a reduction to Base State Aid Per Pupil of approximately \$40 from \$3,780 to \$3,740 in FY 2012.
2. Add \$26.5 million, all from the State General Fund, to KPERS-School to account for the reduction made in FY 2011 to meet the Special Education maintenance of effort requirement.
3. Add \$52,287, all from the State General Fund, for school food assistance in FY 2012. During FY 2010, \$75,315, all from the State General Fund, was lapsed from the program due to budget reductions. This resulted in a balance of \$2,435,171, all from the State General Fund, in school food assistance for FY 2011 and FY 2012. Based on the matching requirements set forth by the National School Lunch Program, \$2,487,458 is necessary to meet the match requirement for FY 2012. The state match allows approximately \$97.0 million in national school lunch funds to be drawn down from the U.S. Department of Agriculture.

Appropriations Committee

Date March 9, 2011

Attachment 7-5