

April 11, 2013

The Honorable Steve Abrams, Chairperson  
Senate Committee on Education  
Statehouse, Room 224-E  
Topeka, Kansas 66612

Dear Senator Abrams:

**SUBJECT:** Fiscal Note for SB 201 by Senate Committee on Education

In accordance with KSA 75-3715a, the following fiscal note concerning SB 201 is respectfully submitted to your committee.

SB 201 would enact the School District Budget Law and provide for a new budget and reporting system for school districts, effective on and after January 1, 2015. The Director of the Division of Accounts and Reports of the Department of Administration, in consultation with the State Board of Education would prepare forms for the annual budgets and sub-budgets of all school districts of the state. The forms would be used to disclose complete information as to the financial condition of school districts, including receipts and expenditures of the current, preceding and ensuing school years.

In addition, the budget forms would be required to outline expenditures for each school building, including salaries, fiscal services, operating and repair expenses, utilities, supplies and equipment, anticipated regular and special education students enrolled, number of classrooms, student teacher ratios for both regular and special education, and the square footage of each school building. All forms required by the bill and all tax levy forms would be required to be printed by the Division of Printing in the Department of Administration in a quantity as the Director of Printing requires. The forms would be provided to the clerk of the board of each school district.

Prior to the filing of the adopted budget and sub-budgets of a school district, the local board of education would be required to meet for the purpose of answering and hearing objections of taxpayers relating to the budget and for the purpose of considering amendments to the budgets. The board would have to give at least a ten day notice of the meeting and the meeting would be required to be held no later than June 1 of each year. In addition, the bill would outline procedures for the budget to be filed with the county clerk and for the levy of the ad valorem tax to support the budget. On or before January 13, 2014, the Director of Accounts and Reports would be required to submit to the Legislature a copy of the budget forms for each school district. Any member of a board or officer or employee of the board who violates any provision of the bill would be subject to removal from office or disciplinary action.

The Honorable Steve Abrams, Chairperson

April 11, 2013


Page 2—SB 201

Estimated State Fiscal Effect				
	FY 2013 SGF	FY 2013 All Funds	FY 2014 SGF	FY 2014 All Funds
Revenue	--	--	--	--
Expenditure	--	--	\$301,632	\$301,632
FTE Pos.	--	--	--	4.00

According to the Department of Administration, the cost of working with the Department of Education in designing and preparing the new budget forms would be absorbed within existing staffing resources and would require no additional appropriations to the agency.

The Department of Education indicates that the agency would require additional expenditures totaling \$301,632, all from the State General Fund, including 4.00 FTE Information Technology Specialist positions, to implement SB 201. This estimate includes \$280,000 for salaries and wages, as well as \$21,632 for other operating expenditures including rent, computer, and office equipment. The Department notes that the requirement to publish individual district building budgets would take significant time and resources by local school district staff. However, any costs related to this requirement would be borne by the local district and not the state. Any fiscal effect associated with SB 201 is not reflected in *The FY 2014 Governor's Budget Report*.

Sincerely,



Steven J. Anderson, CPA, MBA  
Director of the Budget

cc: Dale Dennis, Education  
Pam Fink, Administration  
Melissa Wangemann, Kansas Association of Counties  
Larry Baer, League of Kansas Municipalities