

Kansas State Department of Education

Review expenditures totaling \$199.6 million SGF included in the Governor's recommendation to eliminate the delayed school payment in FY 2022, at or before Omnibus.

- The Governor recommends additional expenditures of \$199.6 million SGF to eliminate delayed state aid payments to school districts in FY 2022. The 2003 Legislature, as a result of the economic downturn, delayed state aid payments to school districts. In June 2003, the state delayed \$183.8 million associated with General State Aid (State Foundation Aid) and \$29.2 million in Supplemental General State Aid payments. This allowed the state to decrease SGF expenditures in FY 2003 by \$213.0 million. This practice of delayed payments by the State has occurred each year since FY 2003. This requires the KSDE to utilize new appropriations at the beginning of the fiscal year to pay a prior-year obligation. The Governor recommends ending this accounting practice in FY 2022 by appropriating one-time funds of \$199.6 million SGF total, which amounts to \$161.3 million for State Foundation Aid and \$38.2 million for Supplemental State General Funds in FY 2022. This one-time expenditure will allow the state to make timely payments for obligations incurred in the same fiscal year and will end this accounting practice.
- The Senate Committee on Education concurred with the Governor's recommendation for this expenditure.
- KLRD is not aware of any legislation other than the budget, that addresses the delayed school payment of \$199.6 million in FY 2022.