



Legislative Division of Post Audit

800 SW Jackson, Suite 1200

Topeka, KS 66612-2212

Phone: 785-296-3792 Fax: 785-296-4482

Web: www.kslegislature.org/postaudit

April 27, 2006

Mr. Robb -

Please find attached the copies of memos from LPA regarding the school cost study.

Total charges for these copies are \$15.85. Please make the check out to our office.

Please let us know if you need anything else.

Sincerely,

A handwritten signature in cursive script that reads "Jamie Medaris".

Jamie Medaris
Administrative Officer

PLAINTIFFS'
EX. 195

LEG003411

LEGISLATIVE POST AUDIT

FEE SCHEDULE

Charges for Copies of Audit Working Papers:

Members of the Legislature: No Charge.

State Agencies: No Charge.

Members of the Public(*): **\$.50/1st page.** .50
 \$.15/add'l pages. \$ 10.35
 \$ 20/hour for staff time. 5.00

* The Legislative Post Auditor may waive these fees, as appropriate. \$ 15.85

Charges for Copies of Completed Audit Reports:

Members of the Legislature: No Charge.

State Agencies (*): **No Charge.**
 Limit of 10 copies.
 Master copy will be
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Members of the Public (*): **No Charge.**
 Limit of 10 copies.
 Master copy will be
 provided to the requestor
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 needed.

* The Legislative Post Auditor may waive these limits, as appropriate.

AUDIT POLICIES AND PROCEDURES
PREPARING AND REVIEWING THE AUDIT REPORT
Request for Access to or Copies of Public Audit Working Papers

We ask that this form be completed by any person requesting to review or receive copies of the public working papers for any audit. However, under provisions of the Kansas Open Records Act (K.S.A. 45-218(b)), any written request containing the name and address of the requestor, and enough information to identify the relevant records, is sufficient.

Audit Name or Number: _____

I hereby request access to review the public working papers for the above-named audit. I understand that I may be charged a fee for any copies I request, as shown on the Division's current fee schedule (see the back of this page).

CERTIFICATION BY PERSON REQUESTING ACCESS TO RECORDS

By your signature below, you hereby certify that you do not intend to, and will not:

- Use any list of names or addresses contained in or derived from the records or information provided pursuant to this request for the purpose of selling or offering for sale any property or service to any person listed or to any person who resides at any address; or
- Sell, give or otherwise make available to any person any list of names or addresses contained in or derived from the records or information provided pursuant to this request for the purpose of allowing that person to sell or offer for sale any property or service to any person listed or to any person who resides at any address listed.

Name of Requesting Person	Title
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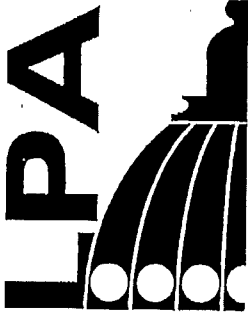
Agency or Affiliation	Date
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Staff member providing access to working papers	Date
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This form to be filed with the Division Office Manager and retained for five years.

Requests from Legislators, Revisors or Research Staff for New Data or Recasting Data Subsequent to Publication of our Cost Study									
Date	Number	Requestor	Committee		Nature of request	LPA staff handling request:	Status	Date info submitted	Who received this information?
1/9/2006	1	Les Donovan	LPAC	Public	What's the correlation between teacher salaries and private sector wages in a community?	Levi	Done	1/17/2006	LPAC
1/9/2006	2	Nick Jordan	LPAC	Public	How do the other states in Figure OV-4 do local funding? We use property taxes as primary source of local taxes - what do they use?	Allen	Done	1/19/2006	LPAC
1/9/2006	3	Senator Hensley	LPAC	Public	What's the cost of doing the outcomes-based approach in the out-years until 2013-14?	Ivan	Done	1/17/2006	LPAC Senate Ed Committee Kathe Decker
1/9/2006	4	Senator Vratil	Senate Education Committee	Public	Under the outcomes-based approach, how did the hold-harmless amounts for each district change from 2005-06 to 2006-07? How many districts qualified in each year	Ivan/Allen	Done	1/17/2006	Senate Education Committee
1/17/2006	5	Terrie Huntington	??	Public	How does student proficiency compare between urban and rural districts with high poverty? (report cites low proficiency for urban)	Katrin	Done	1/10/2006	Board of Education, other?
1/17/2006	6	Steve Abrams - KSBE	KSBE	Public	Purpose of Multiple Regression Analysis & Fit w. Outcomes study	Scott	Done	1/23/2006	Steve Abrams, DOE
1/23/2006	7	Senator Vratil	Senate Education Committee	Public	Identifying Bilingual Students	Cindy	Done	1/23/2006	Senate Education Committee
01/18/06	8	Senator Apple	Senate Education Committee	Public	Total State and Local Funding Under Cost Study Results	Scott	Done	1/19/2006	Senate Education Committee
01/31/06	9	Representative Crow	House Select Committee on School Finance	Public	Supplemental Information on Urban Poverty Weight	Scott	Done	2/1/2006	House Select Committee on School Finance

Requests from Legislators, Revisors or Research Staff for New Data or Recasting Data Subsequent to Publication of our Cost Study									
<u>Date</u>	<u>Number</u>	<u>Requestor</u>	<u>Committee</u>		<u>Nature of request</u>	<u>LPA staff handling request:</u>	<u>Status</u>	<u>Date info submitted</u>	<u>Who received this information?</u>
02/01/06	10	House Select Committee on School Finance	House Select Committee on School Finance	Public	Additional information related to the Cost Study Enrollment Weights	Scott	Done	2/1/2006	House Select Committee on School Finance
2/6/2006	11	House Select Committee on School Finance	House Select Committee on School Finance	Public	Additional info related to regional cost indices presented in the K-12 cost study	Scott	Done	2/6/2006	House Select Committee on School Finance
2/7/2006	12	House Select Committee on School Finance	House Select Committee on School Finance	Public	Addi info related to the impact of problems w. transportation formula	Scott/Ivan	Done	2/7/2006	House Select Committee on School Finance
2/23/2006	13	House Select Committee on School Finance	House Select Committee on School Finance	Public	Voc Ed Program Costs	Scot/voc ed team	Done	2/22/2006	House Select Committee on School Finance
NOTE: The inventory of private requests is maintained on Katrin's desktop. Come see me if you need the info.									



MEMORANDUM

Legislative Division of Post Audit
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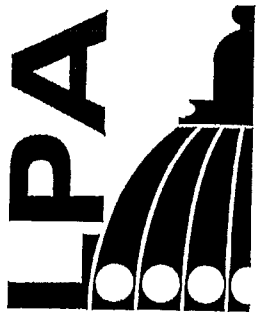
TO: Legislative Post Audit Committee
FROM: Barbara J. Hinton, Legislative Post Auditor
DATE: January 17, 2006
SUBJECT: Information regarding the correlation between teacher salaries and private sector wages in a community

At the January 9 Legislative Post Audit Committee meeting, Senator Donovan asked us to provide information about the correlation between teacher salaries and private sector wages in a community. That information is summarized below.

- **We found a moderate correlation** between private sector wages and teacher salaries. Differences in wages only accounted for about 5% of the variation in teacher salaries. In other words, all else equal, a 1% increase in private sector wages is associated with about a 0.2% increase in teacher salaries.
- Private-sector wages are a poor measure of **cost of living** because these wages measure both the **cost of living** and **standard of living**. Increasing private sector wages in a community could lead to higher cost of living and a better standard of living for residents. That's because higher wages are related to more money in the pockets of residents to improve their quality of life.
- For the cost study, we used comparable housing prices to measure cost of living. This means we controlled for differences in **quality of housing** and only looked at variations in local **cost of housing**. By calculating housing prices in this way we measured **cost of living** rather than **standard of living**.

Please let me know if you have any questions or need any additional information concerning this or other information from our cost study.

cc: Carolyn Rampey, Legislative Research Department
Kathy Sparks, Legislative Research Department
Theresa Kiernan, Revisor of Statutes' Office
Dale Dennis, Assistant Commissioner, Department of Education



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TO: Members, Legislative Post Audit Committee
FROM: Barbara J. Hinton, Legislative Post Auditor
DATE: January 19, 2006
SUBJECT: Sources of Local Revenues for K-12 Education in Kansas and Surrounding States, 2002-2003 data

During the presentation of our education cost study report last Monday, Senator Jordan asked us what other states use as their sources for local funding for K-12 education in comparison to Kansas, which uses property taxes as the primary source. His question was in reference to Figure OV-4 of the main report.

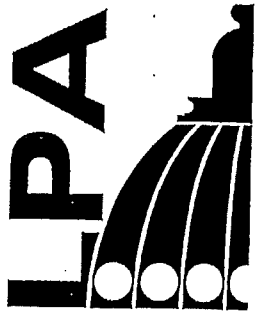
NCES (the source we used for figure OV-4 on page 8 of our Cost Study) didn't have a breakdown of this information available. To try to answer Senator Jordan's question, we had to use 2002-03 data from the U.S. Census Bureau (the latest year for which data was available). Even though the census data on local revenue proportions differs slightly from what we show in our cost study, all six surrounding states use property taxes as the primary source of local revenues to fund K-12 education, ranging from 72% of local revenues in Oklahoma to 80% in Colorado. More details are shown in the table below:

Comparison of Local Revenue Sources For K-12 Education Between Kansas and Surrounding States in 2002-03 (in Millions)						
State	Property Tax (real and personal)		Other Taxes (a)		Other fees (e.g. School lunch, tuition, transportation)	
	Amount	% of Total Local Revenues	Amount	% of Total Local Revenues	Amount	% of Total Local Revenues
KS	\$1,034.7	76.2%	\$ 0	0%	\$322.0	23.8%
CO	\$2,508.7	79.7%	\$ 38.7	1.3%	\$637.8	19%
NE	\$1,119.1	77.7%	\$ 122.7	8.5%	\$321.6	13.8%
IA	\$1,423.1	73.4%	\$ 202.6	10.5%	\$515.7	16.1%
MO	\$2,625.7	73.6%	\$ 142.8	4%	\$942.6	22.4%
OK	\$1,140.5	71.8%	\$ 0	0%	\$448.6	28.2%

(a) Includes any county or city sales taxes, public utility taxes, individual or corporate income taxes, or other local tax revenues set aside for schools
Source: U.S. Census Bureau 2002-03 data

Please let us know if you have any additional questions.

cc: Members, 2010 Commission
Alan Conroy, Legislative Research Department
Kathie Sparks, Legislative Research Department
Carolyn Rampey, Legislative Research Department
Jim Wilson, Revisor of Statutes Office
Theresa Kiernan, Revisor of Statutes Office



MEMORANDUM

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TO: Senate Education Committee
FROM: Barbara J. Hinton, Legislative Post Auditor
DATE: January 20, 2006
SUBJECT: Correction to the table showing the impact of the estimated costs of meeting future performance standards provided 1-18-06

On Wednesday, January 17, we provided you with a memo and table showing the impact of the estimated costs of meeting future performance standards using the outcomes-based approach. That table is correct.

On Thursday, January 18, I appeared before the Committee to discuss that table, and brought extra copies to talk from. That table was not correct; it had minor differences from the correct table we distributed January 17.

To avoid any confusion, I'm attaching another copy of the correct table. The \$8.3 billion figure I quoted for the cumulative estimated impact between 2006-07 and 2013-14 under the outcomes-based approach (without inflation) is still correct.

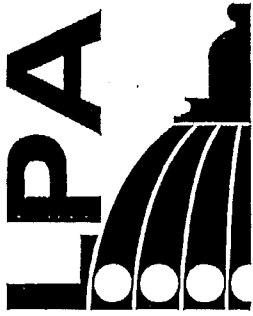
Enclosure

cc: Kathie Sparks, Legislative Research Department
Carolyn Rampey, Legislative Research Department
Theresa Kiernan, Revisor of Statutes Office

**Estimated Cost of Meeting Future Performance Standards
In 2006-07 dollars (not adjusted for inflation)**

	STANDARDS							
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
OUTCOMES-BASED								
Foundation-Level	\$3,151,289,271	\$3,349,417,195	\$3,476,962,046	\$3,604,506,896	\$3,732,670,897	\$3,860,215,747	\$3,983,426,550	\$4,108,494,802
Hold Harmless	\$9,351,874	\$295,583	---	---	---	---	---	---
Supplemental Aid	\$260,574,595	\$276,748,909	\$287,387,579	\$298,033,513	\$308,731,126	\$319,377,059	\$329,661,238	\$340,100,454
KPERS Contribution	\$198,941,334	\$209,869,264	\$217,200,749	\$224,547,832	\$231,930,580	\$239,277,663	\$246,375,088	\$253,579,510
TOTAL	\$3,620,157,075	\$3,836,330,951	\$3,981,550,373	\$4,127,088,241	\$4,273,332,603	\$4,418,870,470	\$4,559,462,876	\$4,702,174,765
BSAPP	\$4,659	\$5,012	\$5,239	\$5,466	\$5,695	\$5,922	\$6,142	\$6,365
CURRENT-FORMULA								
Foundation-Level	\$2,752,015,150	\$2,752,015,150	\$2,752,015,150	\$2,752,015,150	\$2,752,015,150	\$2,752,015,150	\$2,752,015,150	\$2,752,015,150
Hold Harmless	---	---	---	---	---	---	---	---
Supplemental Aid	\$222,186,876	\$222,186,876	\$222,186,876	\$222,186,876	\$222,186,876	\$222,186,876	\$222,186,876	\$222,186,876
KPERS Contribution	\$175,389,495	\$175,389,495	\$175,389,495	\$175,389,495	\$175,389,495	\$175,389,495	\$175,389,495	\$175,389,495
TOTAL	\$3,149,591,521	\$3,149,591,521	\$3,149,591,521	\$3,149,591,521	\$3,149,591,521	\$3,149,591,521	\$3,149,591,521	\$3,149,591,521
DIFFERENCE	\$470,565,554	\$686,739,430	\$831,958,852	\$977,496,720	\$1,123,741,082	\$1,269,278,949	\$1,409,871,355	\$1,552,583,244
STANDARDS	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Math								
4th Grade	67%	73%	78%	82%	87%	91%	96%	100%
7th Grade	67%	73%	78%	82%	87%	91%	96%	100%
10th Grade	56%	65%	70%	76%	82%	88%	94%	100%
Reading								
5th Grade	70%	76%	80%	84%	88%	92%	96%	100%
8th Grade	70%	76%	80%	84%	88%	92%	96%	100%
11th Grade	65%	72%	77%	81%	86%	91%	95%	100%
Graduation Rate	75%	75%	75%	75%	75%	75%	75%	75%

Source: LPA cost study results.



MEMORANDUM

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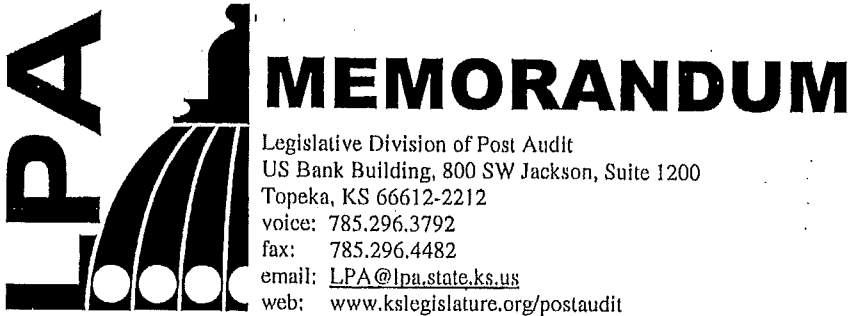
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**Estimated Cost of Meeting Future Performance Standards
In 2006-07 dollars (not adjusted for inflation)**

	STANDARDS							
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
OUTCOMES-BASED								
Foundation-Level	\$3,151,289,271	\$3,349,417,195	\$3,476,962,046	\$3,604,506,896	\$3,732,670,897	\$3,860,215,747	\$3,983,426,550	\$4,108,494,802
Hold Harmless	\$9,351,874	\$295,583	---	---	---	---	---	---
Supplemental Aid	\$260,574,595	\$276,748,909	\$287,387,579	\$298,033,513	\$308,731,126	\$319,377,059	\$329,661,238	\$340,100,454
KPERS Contribution	\$198,941,334	\$209,869,264	\$217,200,749	\$224,547,832	\$231,930,580	\$239,277,663	\$246,375,088	\$253,579,510
TOTAL	\$3,620,157,075	\$3,836,330,951	\$3,981,550,373	\$4,127,088,241	\$4,273,332,603	\$4,418,870,470	\$4,559,462,876	\$4,702,174,765
BSAPP	\$4,659	\$5,012	\$5,239	\$5,466	\$5,695	\$5,922	\$6,142	\$6,365
CURRENT FORMULA								
Foundation-Level	\$2,752,015,150	\$2,752,015,150	\$2,752,015,150	\$2,752,015,150	\$2,752,015,150	\$2,752,015,150	\$2,752,015,150	\$2,752,015,150
Hold Harmless	---	---	---	---	---	---	---	---
Supplemental Aid	\$222,186,876	\$222,186,876	\$222,186,876	\$222,186,876	\$222,186,876	\$222,186,876	\$222,186,876	\$222,186,876
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TOTAL	\$3,149,591,521	\$3,149,591,521	\$3,149,591,521	\$3,149,591,521	\$3,149,591,521	\$3,149,591,521	\$3,149,591,521	\$3,149,591,521
DIFFERENCE	\$470,565,554	\$686,739,430	\$831,958,852	\$977,496,720	\$1,123,741,082	\$1,269,278,949	\$1,409,871,355	\$1,552,583,244
STANDARDS	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Math								
4th Grade	67%	73%	78%	82%	87%	91%	96%	100%
7th Grade	67%	73%	78%	82%	87%	91%	96%	100%
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Reading								
5th Grade	70%	76%	80%	84%	88%	92%	96%	100%
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Source: LPA cost study results.



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TO: Members, Legislative Post Audit Committee
FROM: Barbara J. Hinton, Legislative Post Auditor
DATE: January 17, 2006
SUBJECT: Projection of Costs for Outcomes-Based Approach to 2013-14

During the presentation of our education cost study report last Monday, members asked us what the education costs would be in future years under the outcomes-based approach, using the standards adopted by the State Board of Education.

This information is presented in the accompanying table. Please note the following:

- the estimated costs are being shown in 2006-07 dollars, which allows you to see the effect of the increase in standards over the years.
- we included hold harmless funding in the figures for 2006-07, which increases the estimates for State supplemental equalization aid and KPERS slightly that year.
- the need for "hold harmless" funding beyond 2006-07 is essentially eliminated under the outcomes-based approach because of the fiscal impact of the increased outcome standards in future years.

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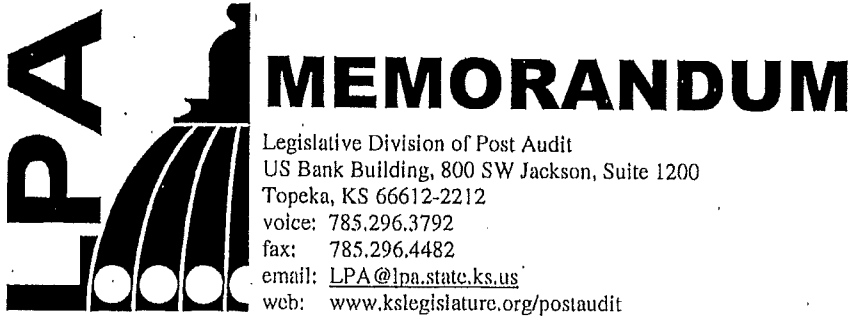
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Dale Dennis, Deputy Commissioner of Education

Estimated Cost of Meeting Future Performance Standards (in 2006-07 dollars)								
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Please let us know if you have any additional questions.

Enclosure

cc: Kathie Sparks, Legislative Research Department
Carolyn Rampey, Legislative Research Department
Theresa Kiernan, Revisor of Statutes Office

LEG003424

Estimated Cost of Meeting Future Performance Standards (in 2006-07 dollars)								
	STANDARDS							
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
OUTCOMES-BASED								
Foundation-Level	\$3,151,289,271	\$3,349,417,195	\$3,476,962,046	\$3,604,506,896	\$3,732,670,897	\$3,860,215,747	\$3,983,426,550	\$4,108,494,802
Hold Harmless	\$9,351,874	\$295,583	---	---	---	---	---	---
Supplemental Aid	\$260,574,595	\$276,748,909	\$287,387,579	\$298,033,513	\$308,731,126	\$319,377,059	\$329,661,238	\$340,100,454
KPERS Contribution	\$198,941,334	\$209,869,264	\$217,200,749	\$224,547,832	\$231,930,580	\$239,277,663	\$246,375,088	\$253,579,510
TOTAL	\$3,620,157,075	\$3,836,330,951	\$3,981,550,373	\$4,127,088,241	\$4,273,332,603	\$4,418,870,470	\$4,559,462,876	\$4,702,174,765
BSAPP	\$4,659	\$5,012	\$5,239	\$5,466	\$5,695	\$5,922	\$6,142	\$6,365
CURRENT FORMULA								
Foundation-Level	\$2,752,015,150	\$2,752,015,150	\$2,752,015,150	\$2,752,015,150	\$2,752,015,150	\$2,752,015,150	\$2,752,015,150	\$2,752,015,150
Hold Harmless	---	---	---	---	---	---	---	---
Supplemental Aid	\$222,186,876	\$222,186,876	\$222,186,876	\$222,186,876	\$222,186,876	\$222,186,876	\$222,186,876	\$222,186,876
KPERS Contribution	\$175,389,495	\$175,389,495	\$175,389,495	\$175,389,495	\$175,389,495	\$175,389,495	\$175,389,495	\$175,389,495
TOTAL	\$3,149,591,521	\$3,149,591,521	\$3,149,591,521	\$3,149,591,521	\$3,149,591,521	\$3,149,591,521	\$3,149,591,521	\$3,149,591,521
DIFFERENCE	\$470,565,554	\$686,739,430	\$831,958,852	\$977,496,720	\$1,123,741,082	\$1,269,278,949	\$1,409,871,355	\$1,552,583,244

STANDARDS	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Math								
4th Grade	67%	73%	78%	82%	87%	91%	96%	100%
7th Grade	67%	73%	78%	82%	87%	91%	96%	100%
10th Grade	56%	65%	70%	76%	82%	88%	94%	100%
Reading								
5th Grade	70%	76%	80%	84%	88%	92%	96%	100%
8th Grade	70%	76%	80%	84%	88%	92%	96%	100%
11th Grade	65%	72%	77%	81%	86%	91%	95%	100%
Graduation Rate	75%	75%	75%	75%	75%	75%	75%	75%

Source: LPA cost study results.



TO: Rep. Kathe Decker, Chair, House Education Committee
FROM: Barbara J. Hinton, Legislative Post Auditor
DATE: January 17, 2006
SUBJECT: Projection of Costs for Outcomes-Based Approach to 2013-14

During presentations of our education cost study report last week, a number of legislators asked us what the education costs would be in future years under the outcomes-based approach, using the standards adopted by the State Board of Education.

This information is presented in the accompanying table for your information. Please note the following:

- the estimated costs are being shown in 2006-07 dollars, which allows you to see the effect of the increase in standards over the years.
- we included hold harmless funding in the figures for 2006-07, which increases the estimates for State supplemental equalization aid and KPERS slightly that year.
- the need for "hold harmless" funding beyond 2006-07 is essentially eliminated under the outcomes-based approach because of the fiscal impact of the increased outcome standards in future years.

Please let us know if you have any additional questions.

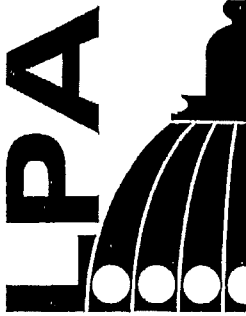
Enclosure

**Estimated Cost of Meeting Future Performance Standards
(in 2006-07 dollars)**

	STANDARDS							
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
OUTCOMES-BASED								
Foundation-Level	\$3,151,289,271	\$3,349,417,195	\$3,476,962,046	\$3,604,506,896	\$3,732,670,897	\$3,860,215,747	\$3,983,426,550	\$4,108,494,802
Hold Harmless	\$9,351,874	\$295,583	---	---	---	---	---	---
Supplemental Aid	\$260,574,595	\$276,748,909	\$287,387,579	\$298,033,513	\$308,731,126	\$319,377,059	\$329,661,238	\$340,100,454
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TOTAL	\$3,620,157,075	\$3,836,330,951	\$3,981,550,373	\$4,127,088,241	\$4,273,332,603	\$4,418,870,470	\$4,559,462,876	\$4,702,174,785
BSAPP	\$4,659	\$5,012	\$5,239	\$5,466	\$5,695	\$5,922	\$6,142	\$6,365
CURRENT FORMULA								
Foundation-Level	\$2,752,015,150	\$2,752,015,150	\$2,752,015,150	\$2,752,015,150	\$2,752,015,150	\$2,752,015,150	\$2,752,015,150	\$2,752,015,150
Hold Harmless	---	---	---	---	---	---	---	---
Supplemental Aid	\$222,186,876	\$222,186,876	\$222,186,876	\$222,186,876	\$222,186,876	\$222,186,876	\$222,186,876	\$222,186,876
KPERS Contribution	\$175,389,495	\$175,389,495	\$175,389,495	\$175,389,495	\$175,389,495	\$175,389,495	\$175,389,495	\$175,389,495
TOTAL	\$3,149,591,521	\$3,149,591,521	\$3,149,591,521	\$3,149,591,521	\$3,149,591,521	\$3,149,591,521	\$3,149,591,521	\$3,149,591,521
DIFFERENCE	\$470,565,554	\$686,739,430	\$831,958,852	\$977,496,720	\$1,123,741,082	\$1,269,278,949	\$1,409,871,355	\$1,552,583,244

STANDARDS	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
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7th Grade	67%	73%	78%	82%	87%	91%	96%	100%
10th Grade	56%	65%	70%	76%	82%	88%	94%	100%
Reading								
5th Grade	70%	76%	80%	84%	88%	92%	96%	100%
8th Grade	70%	76%	80%	84%	88%	92%	96%	100%
11th Grade	65%	72%	77%	81%	86%	91%	95%	100%
Graduation Rate	75%	75%	75%	75%	75%	75%	75%	75%

Source: LPA cost study results.



MEMORANDUM

Legislative Division of Post Audit
 US Bank Building, 800 SW Jackson, Suite 1200
 Topeka, KS 66612-2212
 voice: 785.296.3792
 fax: 785.296.4482
 email: LPA@lpa.state.ks.us
 web: www.kslegislature.org/postaudit

TO: Senate Education Committee
 FROM: Barbara J. Hinton, Legislative Post Auditor *B*
 DATE: January 17, 2006
 SUBJECT: Information regarding the hold-harmless concept and amounts in our Cost Study

At the January 12 Senate Education Committee meeting, Senator Vratil asked us to provide information for the outcomes-based approach regarding the number of districts that would be impacted by the hold-harmless provision. That information is summarized below.

Figure 1

Hold Harmless (2006-07 Standards)			Hold Harmless (2007-08 Standards)	
	# of Districts	%	# of Districts	%
Hold Harmless	140	79% 47% *	17	6%
New Formula	160	28% 53% *	283	94%
Totals	300	100%	300	100%
Statewide Cost of Hold Harmless (in 2006-07 dollars)		\$9,351,874		\$295,583

The attached spreadsheet provides a district-by-district comparison between 2006-07 and 2007-08. Please let me know if you have any questions or need any additional information concerning this or other information from our cost study.

Enclosure

cc: Carolyn Rampey, Legislative Research Department
 Kathy Sparks, Legislative Research Department
 Theresa Kiernan, Revisor of Statutes' Office

** see attached for clean copy*

Hold Harmless Funding Comparison 2006-07 to 2007-08 Outcomes Approach

District Number	District Name	Hold Harmless Funding (2006-07)	Hold Harmless Funding (2007-08)	Difference
101	ERIE-ST PAUL	\$0	\$0	\$0
102	CIMARRON-ENSIGN	\$3,801	\$0	\$3,801
103	CHEYLIN	\$86,920	\$0	\$86,920
104	WHITE ROCK	\$90,027	\$18,516	\$71,510
105	RAWLINS COUNTY	\$55,047	\$0	\$55,047
106	WESTERN PLAINS	\$102,463	\$0	\$102,463
200	GREELEY COUNTY	\$58,018	\$0	\$58,018
202	TURNER-KANSAS CITY	\$0	\$0	\$0
203	PIPER-KANSAS CITY	\$0	\$0	\$0
204	BONNER SPRINGS	\$0	\$0	\$0
205	BLUESTEM	\$41,395	\$0	\$41,395
206	REMINGTON-WHITEWATER	\$109,218	\$0	\$109,218
207	FT LEAVENWORTH	\$0	\$0	\$0
208	WAKEENEY	\$75,820	\$0	\$75,820
209	MOSCOW PUBLIC SCHOOLS	\$142,661	\$12,961	\$129,700
210	HUGOTON PUBLIC SCHOOLS	\$0	\$0	\$0
211	NORTON COMMUNITY SCHOOLS	\$88,680	\$0	\$88,680
212	NORTHERN VALLEY	\$81,794	\$0	\$81,794
213	WEST SOLOMON VALLEY SCHOOLS	\$0	\$0	\$0
214	ULYSSES	\$0	\$0	\$0
215	LAKIN	\$69,300	\$0	\$69,300
216	DEERFIELD	\$2,178	\$0	\$2,178
217	ROLLA	\$108,472	\$0	\$108,472
218	ELKHART	\$125,757	\$0	\$125,757
219	MINNEOLA	\$21,702	\$0	\$21,702
220	ASHLAND	\$94,706	\$0	\$94,706
221	NORTH CENTRAL	\$43,454	\$0	\$43,454
222	WASHINGTON SCHOOLS	\$41,188	\$0	\$41,188
223	BARNES	\$51,676	\$0	\$51,676
224	CLIFTON-CLYDE	\$0	\$0	\$0
225	FOWLER	\$27,048	\$0	\$27,048
226	MEADE	\$43,361	\$0	\$43,361
227	JETMORE	\$6,006	\$0	\$6,006
228	HANSTON	\$0	\$0	\$0
229	BLUE VALLEY	\$0	\$0	\$0
230	SPRING HILL	\$0	\$0	\$0
231	GARDNER-EDGERTON-ANTIOCH	\$0	\$0	\$0
232	DESOTO	\$0	\$0	\$0
233	OLATHE	\$0	\$0	\$0
234	FORT SCOTT	\$0	\$0	\$0
235	UNIONTOWN	\$30,960	\$0	\$30,960
237	SMITH CENTER	\$51,792	\$0	\$51,792
238	WEST SMITH COUNTY	\$97,429	\$0	\$97,429
239	NORTH OTTAWA COUNTY	\$41,474	\$0	\$41,474
240	TWIN VALLEY	\$133,885	\$0	\$133,885
241	WALLACE COUNTY SCHOOLS	\$123,715	\$7,989	\$115,726
242	WESKAN	\$82,896	\$6,083	\$76,812
243	LEBO-WAVERLY	\$31,816	\$0	\$31,816
244	BURLINGTON	\$0	\$0	\$0
245	LEROY-GRIDLEY	\$56,363	\$0	\$56,363
246	NORTHEAST	\$0	\$0	\$0
247	CHEROKEE	\$0	\$0	\$0

Hold Harmless Funding Comparison 2006-07 to 2007-08 Outcomes Approach

District Number	District Name	Hold Harmless Funding (2006-07)	Hold Harmless Funding (2007-08)	Difference
248	GIRARD	\$0	\$0	\$0
249	FRONTENAC PUBLIC SCHOOLS	\$0	\$0	\$0
250	PITTSBURG	\$0	\$0	\$0
251	NORTH LYON COUNTY	\$90,187	\$0	\$90,187
252	SOUTHERN LYON COUNTY	\$105,402	\$0	\$105,402
253	EMPORIA	\$0	\$0	\$0
254	BARBER COUNTY NORTH	\$126,079	\$0	\$126,079
255	SOUTH BARBER	\$74,236	\$0	\$74,236
256	MARMATON VALLEY	\$15,805	\$0	\$15,805
257	IOLA	\$0	\$0	\$0
258	HUMBOLDT	\$11,553	\$0	\$11,553
259	WICHITA	\$0	\$0	\$0
260	DERBY	\$0	\$0	\$0
261	HAYSVILLE	\$0	\$0	\$0
262	VALLEY CENTER PUBLIC SCHOOLS	\$0	\$0	\$0
263	MULVANE	\$0	\$0	\$0
264	CLEARWATER	\$0	\$0	\$0
265	GODDARD	\$0	\$0	\$0
266	MAIZE	\$0	\$0	\$0
267	RENWICK	\$0	\$0	\$0
268	CHENEY	\$46,168	\$0	\$46,168
269	PALCO	\$73,611	\$0	\$73,611
270	PLAINVILLE	\$2,194	\$0	\$2,194
271	STOCKTON	\$0	\$0	\$0
272	WACONDA	\$26,062	\$0	\$26,062
273	BELOIT	\$0	\$0	\$0
274	OAKLEY	\$0	\$0	\$0
275	TRIPLAINS	\$0	\$0	\$0
278	MANKATO	\$142,442	\$28,538	\$113,904
279	JEWELL	\$105,994	\$11,254	\$94,740
281	HILL CITY	\$113,870	\$0	\$113,870
282	WEST ELK	\$0	\$0	\$0
283	ELK VALLEY	\$35,287	\$0	\$35,287
284	CHASE COUNTY	\$52,155	\$0	\$52,155
285	CEDAR VALE	\$69,982	\$0	\$69,982
286	CHAUTAUQUA COUNTY COMMUNITY	\$22,840	\$0	\$22,840
287	WEST FRANKLIN	\$0	\$0	\$0
288	CENTRAL HEIGHTS	\$0	\$0	\$0
289	WELLSVILLE	\$0	\$0	\$0
290	OTTAWA	\$0	\$0	\$0
291	GRINNELL PUBLIC SCHOOLS	\$92,530	\$21,937	\$70,593
292	WHEATLAND	\$101,704	\$1,035	\$100,669
293	QUINTER PUBLIC SCHOOLS	\$32,800	\$0	\$32,800
294	OBERLIN	\$60,955	\$0	\$60,955
295	PRAIRIE HEIGHTS	\$338	\$0	\$338
297	ST FRANCIS COMMUNITY SCHOOLS	\$0	\$0	\$0
298	LINCOLN	\$0	\$0	\$0
299	SYLVAN GROVE	\$97,567	\$5,669	\$91,897
300	COMANCHE COUNTY	\$21,448	\$0	\$21,448
303	NESS CITY	\$114,297	\$0	\$114,297
305	SALINA	\$0	\$0	\$0
306	SOUTHEAST OF SALINE	\$139,470	\$0	\$139,470

Hold Harmless Funding Comparison 2006-07 to 2007-08 Outcomes Approach

District Number	District Name	Hold Harmless Funding (2006-07)	Hold Harmless Funding (2007-08)	Difference
307	ELL-SALINE	\$107,466	\$0	\$107,466
308	HUTCHINSON PUBLIC SCHOOLS	\$0	\$0	\$0
309	NICKERSON	\$0	\$0	\$0
310	FAIRFIELD	\$0	\$0	\$0
311	PRETTY PRAIRIE	\$34,098	\$0	\$34,098
312	HAVEN PUBLIC SCHOOLS	\$0	\$0	\$0
313	BUHLER	\$0	\$0	\$0
314	BREWSTER	\$99,068	\$21,726	\$77,342
315	COLBY PUBLIC SCHOOLS	\$0	\$0	\$0
316	GOLDEN PLAINS	\$31,764	\$0	\$31,764
320	WAMEGO	\$0	\$0	\$0
321	KAW VALLEY	\$0	\$0	\$0
322	ONAGA-HAVENSVILLE-WHEATON	\$39,717	\$0	\$39,717
323	ROCK CREEK	\$0	\$0	\$0
324	EASTERN HEIGHTS	\$89,846	\$1,670	\$88,175
325	PHILLIPSBURG	\$119,054	\$0	\$119,054
326	LOGAN	\$88,431	\$0	\$88,431
327	ELLSWORTH	\$132,024	\$0	\$132,024
328	LORRAINE	\$0	\$0	\$0
329	MILL CREEK VALLEY	\$53,354	\$0	\$53,354
330	MISSION VALLEY	\$52,458	\$0	\$52,458
331	KINGMAN-NORWICH	\$0	\$0	\$0
332	CUNNINGHAM	\$59,654	\$0	\$59,654
333	CONCORDIA	\$0	\$0	\$0
334	SOUTHERN CLOUD	\$74,254	\$0	\$74,254
335	NORTH JACKSON	\$105,491	\$0	\$105,491
336	HOLTON	\$0	\$0	\$0
337	ROYAL VALLEY	\$0	\$0	\$0
338	VALLEY FALLS	\$62,876	\$0	\$62,876
339	JEFFERSON COUNTY NORTH	\$63,442	\$0	\$63,442
340	JEFFERSON WEST	\$0	\$0	\$0
341	OSKALOOSA PUBLIC SCHOOLS	\$0	\$0	\$0
342	MCLOUTH	\$67,639	\$0	\$67,639
343	PERRY PUBLIC SCHOOLS	\$0	\$0	\$0
344	PLEASANTON	\$0	\$0	\$0
345	SEAMAN	\$0	\$0	\$0
346	JAYHAWK	\$21,876	\$0	\$21,876
347	KINSLEY-OFFERLE	\$0	\$0	\$0
348	BALDWIN CITY	\$0	\$0	\$0
349	STAFFORD	\$0	\$0	\$0
350	ST JOHN-HUDSON	\$0	\$0	\$0
351	MACKSVILLE	\$0	\$0	\$0
352	GOODLAND	\$0	\$0	\$0
353	WELLINGTON	\$0	\$0	\$0
354	CLAFLIN	\$0	\$0	\$0
355	ELLINWOOD PUBLIC SCHOOLS	\$32,412	\$0	\$32,412
356	CONWAY SPRINGS	\$58,519	\$0	\$58,519
357	BELLE PLAINE	\$0	\$0	\$0
358	OXFORD	\$8,896	\$0	\$8,896
359	ARGONIA PUBLIC SCHOOLS	\$31,286	\$0	\$31,286
360	CALDWELL	\$0	\$0	\$0
361	ANTHONY-HARPER	\$0	\$0	\$0

Hold Harmless Funding Comparison 2006-07 to 2007-08 Outcomes Approach

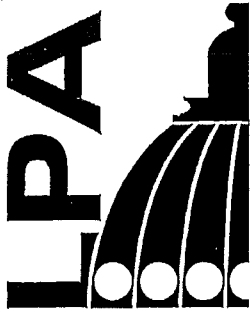
District Number	District Name	Hold Harmless Funding (2006-07)	Hold Harmless Funding (2007-08)	Difference
362	PRAIRIE VIEW	\$0	\$0	\$0
363	HOLCOMB	\$0	\$0	\$0
364	MARYSVILLE	\$0	\$0	\$0
365	GARNETT	\$0	\$0	\$0
366	WOODSON	\$6,960	\$0	\$6,960
367	OSAWATOMIE	\$0	\$0	\$0
368	PAOLA	\$0	\$0	\$0
369	BURRTON	\$0	\$0	\$0
371	MONTEZUMA	\$88,256	\$0	\$88,256
372	SILVER LAKE	\$28,192	\$0	\$28,192
373	NEWTON	\$0	\$0	\$0
374	SUBLETTE	\$0	\$0	\$0
375	CIRCLE	\$0	\$0	\$0
376	STERLING	\$0	\$0	\$0
377	ATCHISON CO COMM SCHOOLS	\$0	\$0	\$0
378	RILEY COUNTY	\$140,860	\$0	\$140,860
379	CLAY CENTER	\$0	\$0	\$0
380	VERMILLION	\$132,187	\$0	\$132,187
381	SPEARVILLE	\$78,484	\$0	\$78,484
382	PRATT	\$0	\$0	\$0
383	MANHATTAN	\$0	\$0	\$0
384	BLUE VALLEY	\$146,239	\$27,689	\$118,550
385	ANDOVER	\$0	\$0	\$0
386	MADISON-VIRGIL	\$56,681	\$0	\$56,681
387	ALTOONA-MIDWAY	\$85,842	\$0	\$85,842
388	ELLIS	\$51,438	\$0	\$51,438
389	EUREKA	\$0	\$0	\$0
390	HAMILTON	\$0	\$0	\$0
392	OSBORNE COUNTY	\$10,280	\$0	\$10,280
393	SOLOMON	\$22,417	\$0	\$22,417
394	ROSE HILL PUBLIC SCHOOLS	\$0	\$0	\$0
395	LACROSSE	\$0	\$0	\$0
396	DOUGLASS PUBLIC SCHOOLS	\$0	\$0	\$0
397	CENTRE	\$0	\$0	\$0
398	PEABODY-BURNS	\$0	\$0	\$0
399	PARADISE	\$55,481	\$0	\$55,481
400	SMOKY VALLEY	\$0	\$0	\$0
401	CHASE	\$31,872	\$0	\$31,872
402	AUGUSTA	\$0	\$0	\$0
403	OTIS-BISON	\$116,388	\$0	\$116,388
404	RIVERTON	\$0	\$0	\$0
405	LYONS	\$0	\$0	\$0
406	WATHENA	\$87,358	\$0	\$87,358
407	RUSSELL COUNTY	\$0	\$0	\$0
408	MARION-FLORENCE	\$0	\$0	\$0
409	ATCHISON PUBLIC SCHOOLS	\$0	\$0	\$0
410	DURHAM-HILLSBORO-LEHIGH	\$0	\$0	\$0
411	GOESSEL	\$42,246	\$0	\$42,246
412	HOXIE COMMUNITY SCHOOLS	\$41,700	\$0	\$41,700
413	CHANUTE PUBLIC SCHOOLS	\$0	\$0	\$0
415	HIAWATHA	\$0	\$0	\$0
416	LOUISBURG	\$0	\$0	\$0

Hold Harmless Funding Comparison 2006-07 to 2007-08 Outcomes Approach

District Number	District Name	Hold Harmless Funding (2006-07)	Hold Harmless Funding (2007-08)	Difference
417	MORRIS COUNTY	\$0	\$0	\$0
418	MCPHERSON	\$0	\$0	\$0
419	CANTON-GALVA	\$50,722	\$0	\$50,722
420	OSAGE CITY	\$0	\$0	\$0
421	LYNDON	\$29,141	\$0	\$29,141
422	GREENSBURG	\$0	\$0	\$0
423	MOUNDRIDGE	\$84,230	\$0	\$84,230
424	MULLINVILLE	\$74,662	\$0	\$74,662
425	HIGHLAND	\$103,300	\$0	\$103,300
426	PIKE VALLEY	\$58,112	\$0	\$58,112
427	BELLEVILLE	\$82,069	\$0	\$82,069
428	GREAT BEND	\$0	\$0	\$0
429	TROY PUBLIC SCHOOLS	\$51,743	\$0	\$51,743
430	SOUTH BROWN COUNTY	\$0	\$0	\$0
431	HOISINGTON	\$0	\$0	\$0
432	VICTORIA	\$132,286	\$7,132	\$125,153
433	MIDWAY SCHOOLS	\$127,286	\$21,401	\$105,885
434	SANTA FE TRAIL	\$0	\$0	\$0
435	ABILENE	\$0	\$0	\$0
436	CANEY VALLEY	\$0	\$0	\$0
437	AUBURN WASHBURN	\$0	\$0	\$0
438	SKYLINE SCHOOLS	\$79,693	\$0	\$79,693
439	SEDGWICK PUBLIC SCHOOLS	\$90,314	\$0	\$90,314
440	HALSTEAD	\$0	\$0	\$0
441	SABETHA	\$0	\$0	\$0
442	NEMAHA VALLEY SCHOOLS	\$156,645	\$0	\$156,645
443	DODGE CITY	\$0	\$0	\$0
444	LITTLE RIVER	\$35,190	\$0	\$35,190
445	COFFEYVILLE	\$0	\$0	\$0
446	INDEPENDENCE	\$0	\$0	\$0
447	CHERRYVALE	\$0	\$0	\$0
448	INMAN	\$70,028	\$0	\$70,028
449	EASTON	\$71,319	\$0	\$71,319
450	SHAWNEE HEIGHTS	\$0	\$0	\$0
451	B & B	\$167,872	\$54,024	\$113,849
452	STANTON COUNTY	\$55,680	\$0	\$55,680
453	LEAVENWORTH	\$0	\$0	\$0
454	BURLINGAME	\$0	\$0	\$0
455	HILLCREST RURAL SCHOOLS	\$44,864	\$0	\$44,864
456	MARAIS DES CYGNES VALLEY	\$0	\$0	\$0
457	GARDEN CITY	\$0	\$0	\$0
458	BASEHOR-LINWOOD	\$0	\$0	\$0
459	BUCKLIN	\$40,118	\$0	\$40,118
460	HESSTON	\$0	\$0	\$0
461	NEODESHA	\$0	\$0	\$0
462	CENTRAL	\$3,753	\$0	\$3,753
463	UDALL	\$27,945	\$0	\$27,945
464	TONGANOXIE	\$0	\$0	\$0
465	WINFIELD	\$0	\$0	\$0
466	SCOTT COUNTY	\$0	\$0	\$0
467	LEOTI	\$96,162	\$0	\$96,162
468	HEALY PUBLIC SCHOOLS	\$29,136	\$0	\$29,136

Hold Harmless Funding Comparison 2006-07 to 2007-08 Outcomes Approach

District Number	District Name	Hold Harmless Funding (2006-07)	Hold Harmless Funding (2007-08)	Difference
469	LANSING	\$0	\$0	\$0
470	ARKANSAS CITY	\$0	\$0	\$0
471	DEXTER	\$88,544	\$0	\$88,544
473	CHAPMAN	\$0	\$0	\$0
474	HAVILAND	\$119,019	\$25,185	\$93,834
475	JUNCTION CITY	\$0	\$0	\$0
476	COPELAND	\$52,107	\$0	\$52,107
477	INGALLS	\$3,531	\$0	\$3,531
479	CREST	\$36,589	\$0	\$36,589
480	LIBERAL	\$0	\$0	\$0
481	RURAL VISTA	\$24,910	\$0	\$24,910
482	DIGHTON	\$89,013	\$0	\$89,013
483	KISMET-PLAINS	\$0	\$0	\$0
484	FREDONIA	\$0	\$0	\$0
486	ELWOOD	\$0	\$0	\$0
487	HERINGTON	\$11,653	\$0	\$11,653
488	AXTELL	\$18,645	\$0	\$18,645
489	HAYS	\$0	\$0	\$0
490	EL DORADO	\$0	\$0	\$0
491	EUDORA	\$0	\$0	\$0
492	FLINTHILLS	\$23,265	\$0	\$23,265
493	COLUMBUS	\$0	\$0	\$0
494	SYRACUSE	\$57,228	\$0	\$57,228
495	FT LARNED	\$0	\$0	\$0
496	PAWNEE HEIGHTS	\$97,354	\$0	\$97,354
497	LAWRENCE	\$0	\$0	\$0
498	VALLEY HEIGHTS	\$1,316	\$0	\$1,316
499	GALENA	\$0	\$0	\$0
500	KANSAS CITY	\$0	\$0	\$0
501	TOPEKA PUBLIC SCHOOLS	\$0	\$0	\$0
502	LEWIS	\$54,743	\$0	\$54,743
503	PARSONS	\$0	\$0	\$0
504	OSWEGO	\$0	\$0	\$0
505	CHETOPA	\$0	\$0	\$0
506	LABETTE COUNTY	\$0	\$0	\$0
507	SATANTA	\$61,193	\$0	\$61,193
508	BAXTER SPRINGS	\$0	\$0	\$0
509	SOUTH HAVEN	\$134,806	\$22,774	\$112,032
511	ATTICA	\$63,187	\$0	\$63,187
512	SHAWNEE MISSION PUBLIC SCHOOLS	\$0	\$0	\$0
		\$9,351,874	\$295,583	\$9,056,291



MEMORANDUM

Legislative Division of Post Audit
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TO: Senate Education Committee
FROM: Barbara J. Hinton, Legislative Post Auditor
DATE: January 17, 2006
SUBJECT: Information regarding the hold-harmless concept and amounts in our Cost Study

At the January 12 Senate Education Committee meeting, Senator Vratil asked us to provide information for the outcomes-based approach regarding the number of districts that would be impacted by the hold-harmless provision. That information is summarized below.

Figure 1

Hold Harmless (2006-07 Standards)			Hold Harmless (2007-08 Standards)	
	# of Districts	%	# of Districts	%
Hold Harmless	140	47%	17	6%
New Formula	160	53%	283	94%
Totals	300	100%	300	100%
Statewide Cost of Hold Harmless (In 2006-07 dollars)		\$9,351,874		\$295,583

The attached spreadsheet provides a district-by-district comparison between 2006-07 and 2007-08. Please let me know if you have any questions or need any additional information concerning this or other information from our cost study.

Enclosure

cc: Carolyn Rampey, Legislative Research Department
Kathy Sparks, Legislative Research Department
Theresa Kiernan, Revisor of Statutes' Office

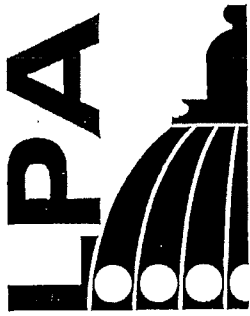
**Comparisons of Student Proficiency in Urban and Rural Districts with
High Levels of Free-Lunch Students**

Barb Hinton, Legislative Post Auditor

- January 11, 2006

Rural (non-suburban) school districts: 25, with 38%–62% free-lunch students
 Urban, inner-city school districts: 4, with 38%–64% free-lunch students

Districts with high poverty	Reading			Math		
	Elementary	Middle	High	Elementary	Middle	High
Urban, inner-city districts (4)	68%	61%	29%	81%	22%	23%
Rural (non- suburban districts (25)	86%	86%	85%	96%	57%	75%



MEMORANDUM

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TO: Members, Senate Education Committee
FROM: Barbara J. Hinton, Legislative Post Auditor
DATE: January 23, 2006
SUBJECT: Identifying Bilingual Students

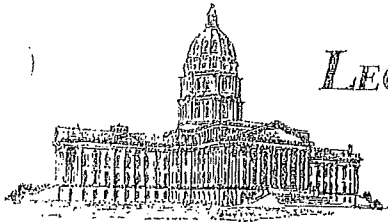
During a recent meeting of the Senate Education Committee, Senator Vratil asked how districts identify bilingual students. He also raised questions about what would prevent districts from over-identifying bilingual students if the State funded bilingual education based on headcount, as was done in the cost study.

Here is the process the Department has established for districts to follow to identify bilingual students:

- At enrollment, districts have parents complete a home language survey. This is a simple document that asks "What is the primary language spoken in the home?" and "What is the student's first language?"
- If the answer is anything other than "English," the student must be assessed for English language proficiency using a standardized test named KELPA (Kansas English Language Proficiency Assessment). The test measures proficiency in reading, writing, speaking, listening, and comprehension in English.
- Students who do not demonstrate that they are proficient are deemed to be English Language Learners (or a bilingual student). These students are assessed every year to determine whether they have become proficient in English.
- Once a student is determined to be proficient, districts must monitor the student's progress for two additional years. They receive no State funding for the monitoring period.

The State's use of a standardized assessment test to identify bilingual students reduces over-identification, regardless of whether the program is funded on the basis of headcount or FTE. Also, during annual audits, Department staff check the assessment scores of students claimed for bilingual funding (for all or a sample of students) to ensure that those students' scores indicate they aren't yet proficient in English.

cc: Kathie Sparks, Legislative Research Department
Carolyn Rampey, Legislative Research Department
Theresa Kiernan, Revisor of Statutes Office



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Steve Abrams
Chairman
Kansas State Board of Education
120 SE 10th Avenue
Topeka KS 66612-1182

Dear Mr. Abrams:

During our presentation of our cost study results to the Kansas State Board of Education at its January 9 meeting, you requested a brief write-up explaining the purpose of multiple regression analysis and how it fit into our outcomes-based cost study. The summary you requested is attached to this letter.

If you have any other questions about the cost study, please feel free to contact me at 296-3792.

Sincerely,

Barbara J. Hinton
Legislative Post Auditor

Enclosure

cc: Bob Corkins, Commissioner, Kansas State Department of Education
Dale Dennis, Deputy Commissioner, Kansas State Department of Education

BACKGROUND

The cost study Legislative Post Audit was directed to conduct under K.S.A. 46-1130 included a requirement for an estimate of how much it should cost Kansas school districts to provide the programs and services required by law, including meeting the "standards relating to student performance outcomes adopted by the state board." This part of the cost study has become known as the "outcomes-based approach."

To estimate those costs, we decided to use a statistical cost function approach. Under this approach, statistical tests are used to understand the relationships between districts' historical spending 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 to give each district the opportunity to achieve the desired outcomes

ABOUT MULTIPLE REGRESSION

The primary statistical tool used in conducting a cost function analysis is *multiple regression*. Multiple regression is a statistical technique that is used to analyze the relationships between many independent variables (such as size, salaries, student characteristics, efficiency, and performance) and a single dependent variable (in this case, district spending). Multiple regression allows you to answer the following questions about the relationship between each independent variable and the single dependent variable:

- **Are the variables actually related?** Clearly, not all things are related to each other. The regression analysis produces a number for each variable that signifies the likelihood that the two variables are actually related. (In technical terms, this is called the p-value.)
- **What is the direction of the relationship?** If an increase in one variable is associated with an increase in the other variable, the relationship is said to be "positive." If an increase in one variable is associated with a decrease in the other variable, the relationship is said to be "negative."
- **How strong is the relationship?** The regression analysis also produces a number that signifies how much a change in one variable appears to affect the other variable. This is called the "regression coefficient."

One of the strengths of using multiple regression analysis is the ability to use the results to make predictions. In other words, based on the historic relationship between the different independent variables and the dependent variable, how would the independent variable change under different assumptions? In our outcomes-based analysis, we used the historical relationships between the various cost factors (district size, student characteristics, teacher salaries, district efficiency, and student performance) to estimate what it would cost to give districts the opportunity to meet different performance standards.

REGRESSION RESULTS

We analyzed data for 300 districts over five years (2000-2004). Using multiple regression, we were able to find important patterns in the data, showing how the various cost factors were related to district spending. These relationships are summarized in the following table (the full regression results are attached at the end):

Summary of Key Relationships in the Outcomes-Based Approach		
Variable	What Is the Relationship Between Each Variable and District Spending?	How Confident Can We Be In This Relationship?
Student Performance	Positive. A 1.00% in student performance was associated with a 0.83% increase in spending.	99%+
District Size	Negative. As the size of a district increases, costs per student decrease. Districts with less than 100 students were about 77% more expensive than districts with more than 1,700 students.	99%+
Teacher Salaries	Positive. A 1.00% increase in teacher salaries was associated with a 1.02% increase in spending.	98%
Poverty	Positive. A student qualifying for free lunch was between 65% and 115% more expensive to educate than a typical student, depending on the concentration of poverty in the district.	94%
Bilingual	Positive. A student needing bilingual services was 14% more expensive to educate than a typical student.	95%

The relationship between student performance and spending is critical to any predictions using an outcomes-based approach. If there isn't really a relationship, any predictions become meaningless.

To further ensure sure that the relationships we found were more than coincidental, we reanalyzed the data using a variety of smaller time periods (2000-2002, 2002-2004, 2000-2003). Regardless of how we cut the data, each analysis showed a strong association between spending and student performance.

Cost Model Results^a

Variables	2000-2004	
	Coefficients	P-value ^d
Intercept	-6.84027	0.19
Performance measure ^b	0.83013	0.00
Cost variables:		
Teacher salaries ^b	1.01765	0.02
Percent free lunch students	0.00636	0.00
Free lunch multiplied by pupil density	0.00065	0.06
Adjusted percent bilingual headcount ^c	0.00139	0.05
Enrollment categories:		
100 to 150 students	-0.12987	0.05
150 to 300 students	-0.29443	0.00
300 to 500 students	-0.38580	0.00
500 to 750 students	-0.44523	0.00
750 to 1,000 students	-0.45612	0.00
1,000 to 1,700 students	-0.52671	0.00
1,700 to 2,500 students	-0.57252	0.00
2,500 to 5,000 students	-0.56802	0.00
5,000 students and above	-0.55366	0.00
Efficiency-related variables:		
Consolidated districts	0.14780	0.00
Per pupil income ^b	0.13097	0.00
Per pupil property values ^b	0.05341	0.02
Total aid/income ratio	0.80593	0.00
Local tax share ^b	-0.02102	0.40
Percent of adults that are college educated (2000)	-0.00666	0.00
Percent of population 65 or older (2000)	-0.00347	0.02
Percent of housing units that are owner occupied (2000)	-0.00218	0.07
Year indicator variables:		
2001	-0.02209	0.31
2002	-0.01666	0.62
2003	-0.08637	0.14
2004	-0.13924	0.09
Adjusted R-square	0.4868	
Sample Size	1468	

^aEstimated with linear 2SLS with the log of per pupil base spending as the dependent variable.

^bMeasured as natural logarithm.

^cCalculated by first regressing the share of bilingual headcount from KSDE on the Census

^dProbability of being wrong if the hypothesis that the coefficient is equal to zero is rejected. P-



MEMORANDUM

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TO: Members, Senate Education Committee
FROM: Barbara J. Hinton, Legislative Post Auditor
DATE: January 19, 2006
SUBJECT: Total State and Local Funding Under Cost Study Results

During yesterday's meeting, Senator Apple asked us what the total amount of State and local funding would be under the different cost study scenarios, and how those amounts compared to the current funding formula. This information is presented in the accompanying tables. Table 1 shows the estimated funding without the hold harmless provision. Table 2 shows the estimated funding with hold harmless included.

Please let us know if you have any additional questions.

Enclosure

cc: Kathie Sparks, Legislative Research Department
Carolyn Rampey, Legislative Research Department
Theresa Kiernan, Revisor of Statutes Office

TABLE 1
State and Local Funding for School Districts--All Sources
Current Funding Formula vs. Cost Study Results
2006-07 School Year
NO HOLD HARMLESS

	Current Funding Formula	LPA Cost Study Results			
		Input-Based Class Size 25	Input-Based Class Size 18/23	Input-Based Class Size 20	Outcomes- Based
TOTAL STATE/LOCAL FUNDING					
FOUNDATION-LEVEL	\$2,752,015,150	\$3,068,189,384	\$3,271,554,653	\$3,375,707,655	\$3,151,289,271
LOCAL OPTION BUDGET (a)					
Local Property Taxes	\$448,806,294	\$503,979,965	\$537,563,085	\$554,465,264	\$516,106,711
State Supp. Equalization Aid	\$222,186,876	\$252,174,108	\$269,558,996	\$278,513,613	\$260,204,273
TOTAL LOCAL OPTION BUDGET	\$670,993,170	\$756,154,073	\$807,122,080	\$832,978,877	\$776,310,983
OTHER STATE FUNDS					
KPERS Contribution	\$175,389,495	\$193,938,986	\$205,694,132	\$211,703,114	\$198,711,460
Capital Outlay	\$19,197,016	\$19,197,016	\$19,197,016	\$19,197,016	\$19,197,016
Bond & Interest	\$57,724,510	\$57,724,510	\$57,724,510	\$57,724,510	\$57,724,510
Miscellaneous (a)	\$27,490,524	\$27,490,524	\$27,490,524	\$27,490,524	\$27,490,524
TOTAL OTHER STATE FUNDS	\$279,801,545	\$298,351,036	\$310,106,182	\$316,115,164	\$303,123,510
TOTAL STATE/LOCAL FUNDING	\$3,702,809,866	\$4,122,694,493	\$4,388,782,916	\$4,524,801,696	\$4,230,723,765
ADDITIONAL STATE/LOCAL FUNDING					
STATE FUNDING					
Foundation-Level	\$0	\$316,174,233	\$519,539,503	\$623,692,504	\$399,274,121
State Supp. Equalization Aid	\$0	\$29,987,232	\$47,372,120	\$56,326,737	\$38,017,397
KPERS Contribution	\$0	\$18,549,491	\$30,304,637	\$36,313,619	\$23,321,964
ADDITIONAL STATE FUNDING	\$0	\$364,710,956	\$597,216,260	\$716,332,860	\$460,613,483
LOCAL FUNDING (LOB Property Tax)	\$0	\$55,173,671	\$88,756,790	\$105,658,970	\$67,300,416
TOTAL ADDITIONAL FUNDING	\$0	\$419,884,627	\$685,973,050	\$821,991,830	\$527,913,899
(a) Maximum effect of cost study results if districts' local option budgets would grow at the same rate as the increases in their general fund budgets. Source: LPA cost study results.					

TABLE 2
State and Local Funding for School Districts--All Sources
Current Funding Formula vs. Cost Study Results
2006-07 School Year
WITH HOLD HARMLESS

	Current Funding Formula	LPA Cost Study Results			Outcomes- Based
		Input-Based Class Size 25	Input-Based Class Size 18/23	Input-Based Class Size 20	
TOTAL STATE/LOCAL FUNDING					
FOUNDATION-LEVEL					
From Formula	\$2,752,015,150	\$3,068,189,384	\$3,271,554,653	\$3,375,707,655	\$3,151,289,271
Hold Harmless	\$0	\$35,109,190	\$6,955,918	\$673,949	\$9,351,874
TOTAL FOUNDATION-LEVEL	\$2,752,015,150	\$3,103,298,574	\$3,278,510,571	\$3,376,381,604	\$3,160,641,145
LOCAL OPTION BUDGET (a)					
Local Property Taxes	\$448,806,294	\$508,554,138	\$538,475,321	\$554,545,692	\$517,404,262
State Supp. Equalization Aid	\$222,186,876	\$254,634,031	\$269,968,655	\$278,551,054	\$260,574,595
TOTAL LOCAL OPTION BUDGET	\$670,993,170	\$763,188,169	\$808,443,976	\$833,096,746	\$777,978,857
OTHER STATE FUNDS					
KPERS Contribution	\$175,389,495	\$195,886,826	\$206,076,728	\$211,739,711	\$199,220,786
Capital Outlay	\$19,197,016	\$19,197,016	\$19,197,016	\$19,197,016	\$19,197,016
Bond & Interest	\$57,724,510	\$57,724,510	\$57,724,510	\$57,724,510	\$57,724,510
Miscellaneous (a)	\$27,490,524	\$27,490,524	\$27,490,524	\$27,490,524	\$27,490,524
TOTAL OTHER STATE FUNDS	\$279,801,545	\$300,298,876	\$310,488,778	\$316,151,761	\$303,632,836
TOTAL STATE/LOCAL FUNDING	\$3,702,809,866	\$4,166,785,619	\$4,397,443,325	\$4,525,630,111	\$4,242,252,838
ADDITIONAL STATE/LOCAL FUNDING					
STATE FUNDING					
Foundation-Level	\$0	\$351,283,423	\$526,495,421	\$624,366,453	\$408,625,995
State Supp. Equalization Aid	\$0	\$32,447,155	\$47,781,779	\$56,364,178	\$38,387,719
KPERS Contribution	\$0	\$20,497,331	\$30,687,233	\$36,350,216	\$23,831,291
ADDITIONAL STATE FUNDING	\$0	\$404,227,909	\$604,964,432	\$717,080,847	\$470,845,005
LOCAL FUNDING (LOB Property Tax)	\$0	\$59,747,844	\$89,669,027	\$105,739,398	\$68,597,968
TOTAL ADDITIONAL FUNDING	\$0	\$463,975,753	\$694,633,459	\$822,820,245	\$539,442,973
(a) Maximum effect of cost study results if districts' local option budgets would grow at the same rate as the increases in their general fund budgets. Source: LPA cost study results.					



MEMORANDUM

Legislative Division of Post Audit

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TO: Members, House Select Committee on School Finance
FROM: Barbara J. Hinton, Legislative Post Auditor
DATE: February 1, 2005
SUBJECT: Supplemental Information on Urban Poverty Weight

During yesterday's meeting, Representative Crow asked for a breakdown of the information on each district that went into calculating the urban poverty weighting. In the accompanying table, the following information is presented for each school district:

Demographic Data

- *Census Locale Code* – Type of community the district is located in, as designated by the U.S. Census
- *Poverty* – Percent of students qualifying for free lunch
- *Density* – Number of students per square mile
- *Urban Poverty* – Number of students qualifying for free lunch per square mile

Poverty Weights (calculated from consultant's results)

- *At-Risk* – Weight per free lunch student, regardless of urban poverty
- *Urban Poverty* – Additional weight per free lunch student due to urban poverty
- *Total* – Sum of the at-risk weight and the urban poverty weight

To estimate a Statewide urban poverty weight, we averaged the total poverty weight 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).

Selected Poverty Data for 300 School Districts
2003-04 School Year

DEMOGRAPHIC MEASURES
(2003-04 School Year)

POVERTY WEIGHTS

DISTRICT	CENSUS LOCALE CODE	DEMOGRAPHIC MEASURES			POVERTY WEIGHTS		
		POVERTY (% Free Lunch Students)	DENSITY (Students per sq mi)	URBAN POVERTY (Free Lunch Students per sq mi)	AT-RISK WEIGHT	URBAN POVERTY WEIGHT	TOTAL WEIGHT
101 - ERIE-ST PAUL	7 - Rural	32.2%	2.3	0.7	0.71	0.00	0.71
102 - CIMARRON-ENSIGN	7 - Rural	21.7%	1.2	0.3	0.68	0.00	0.68
103 - CHEYLIN	7 - Rural	31.1%	0.2	0.1	0.70	0.00	0.70
104 - WHITE ROCK	7 - Rural	29.8%	0.3	0.1	0.70	0.00	0.70
105 - RAWLINS COUNTY	7 - Rural	24.1%	0.5	0.1	0.69	0.00	0.69
106 - WESTERN PLAINS	7 - Rural	25.8%	0.3	0.1	0.69	0.00	0.69
200 - GREELEY COUNTY SCHOOLS	7 - Rural	33.1%	0.4	0.1	0.71	0.00	0.71
202 - TURNER-KANSAS CITY	2 - Mid-Sized City	35.1%	212.1	74.5	0.71	0.18	0.89
203 - PIPER-KANSAS CITY	8 - Rural	4.0%	40.7	1.6	0.64	0.03	0.67
204 - BONNER SPRINGS	3 - Urban Fringe of Large City	20.8%	57.0	11.9	0.68	0.04	0.72
205 - BLUESTEM	8 - Rural	16.2%	2.0	0.3	0.67	0.00	0.67
206 - REMINGTON-WHITEWATER	8 - Rural	16.4%	2.1	0.3	0.67	0.00	0.67
207 - FT LEAVENWORTH	3 - Urban Fringe of Large City	3.3%	211.6	6.9	0.64	0.14	0.78
208 - WAKEENEY	7 - Rural	19.2%	0.6	0.1	0.68	0.00	0.68
209 - MOSCOW PUBLIC SCHOOLS	7 - Rural	32.5%	1.1	0.4	0.71	0.00	0.71
210 - HUGOTON PUBLIC SCHOOLS	6 - Small Town	34.8%	1.8	0.6	0.71	0.00	0.71
211 - NORTON COMMUNITY SCHOOLS	6 - Small Town	23.0%	2.0	0.5	0.68	0.00	0.69
212 - NORTHERN VALLEY	7 - Rural	33.4%	0.7	0.2	0.71	0.00	0.71
213 - WEST SOLOMON VALLEY SCHOOLS	7 - Rural	22.5%	0.2	0.1	0.68	0.00	0.68
214 - ULYSSES	6 - Small Town	36.5%	3.3	1.2	0.72	0.00	0.72
215 - LAKIN	7 - Rural	32.3%	1.1	0.3	0.71	0.00	0.71
216 - DEERFIELD	7 - Rural	44.6%	1.5	0.7	0.74	0.00	0.74
217 - ROLLA	7 - Rural	44.9%	0.9	0.4	0.74	0.00	0.74
218 - ELKHART	7 - Rural	23.4%	1.7	0.4	0.69	0.00	0.69
219 - MINNEOLA	7 - Rural	32.8%	0.9	0.3	0.71	0.00	0.71
220 - ASHLAND	7 - Rural	29.5%	0.3	0.1	0.70	0.00	0.70
221 - NORTH CENTRAL	7 - Rural	27.5%	0.5	0.1	0.70	0.00	0.70
222 - WASHINGTON SCHOOLS	7 - Rural	19.0%	2.2	0.4	0.68	0.00	0.68
223 - BARNES	7 - Rural	28.6%	1.0	0.3	0.70	0.00	0.70
224 - CLIFTON-CLYDE	7 - Rural	25.2%	1.3	0.3	0.69	0.00	0.69
225 - FOWLER	7 - Rural	45.7%	0.6	0.3	0.74	0.00	0.74
226 - MEADE	7 - Rural	20.8%	1.1	0.2	0.68	0.00	0.68
227 - JETMORE	7 - Rural	20.5%	0.5	0.1	0.68	0.00	0.68
228 - HANSTON	7 - Rural	30.3%	0.4	0.1	0.70	0.00	0.70
229 - BLUE VALLEY	2 - Mid-Sized City	1.7%	199.5	3.4	0.64	0.13	0.77
230 - SPRING HILL	3 - Urban Fringe of Large City	8.6%	21.7	1.9	0.65	0.01	0.67
231 - GARDNER-EDGERTON-ANTIOCH	3 - Urban Fringe of Large City	14.0%	31.4	4.4	0.67	0.02	0.69
232 - DE SOTO	8 - Rural	9.2%	42.9	4.0	0.66	0.03	0.68
233 - OLATHE	3 - Urban Fringe of Large City	9.4%	289.5	27.2	0.66	0.20	0.86
234 - FORT SCOTT	6 - Small Town	37.8%	6.5	2.5	0.72	0.01	0.72
235 - UNIONTOWN	7 - Rural	38.4%	1.5	0.6	0.72	0.00	0.72
237 - SMITH CENTER	7 - Rural	27.7%	0.8	0.2	0.70	0.00	0.70

DEMOGRAPHIC MEASURES
(2003-04 School Year)

POVERTY WEIGHTS

DISTRICT	CENSUS LOCALE CODE	POVERTY (% Free Lunch Students)	DENSITY (Students per sq mi)	URBAN POVERTY (Free Lunch Students per sq mi)	AT-RISK WEIGHT	URBAN POVERTY WEIGHT	TOTAL WEIGHT
238 - WEST SMITH COUNTY	7 - Rural	29.5%	0.8	0.2	0.70	0.00	0.70
239 - NORTH OTTAWA COUNTY	7 - Rural	22.9%	1.3	0.3	0.68	0.00	0.69
240 - TWIN VALLEY	7 - Rural	15.1%	2.4	0.4	0.67	0.00	0.67
241 - WALLACE COUNTY SCHOOLS	7 - Rural	27.7%	0.3	0.1	0.70	0.00	0.70
242 - WESKAN	7 - Rural	30.5%	0.5	0.2	0.70	0.00	0.70
243 - LEBOWAVERLY	7 - Rural	22.9%	2.3	0.5	0.68	0.00	0.69
244 - BURLINGTON	7 - Rural	22.4%	5.8	1.3	0.68	0.00	0.69
245 - LEROY-GRIDLEY	7 - Rural	25.3%	1.5	0.4	0.69	0.00	0.69
246 - NORTHEAST	7 - Rural	43.6%	5.2	2.2	0.73	0.00	0.74
247 - CHEROKEE	7 - Rural	30.1%	2.7	0.8	0.70	0.00	0.70
248 - GIRARD	6 - Small Town	24.3%	4.0	1.0	0.69	0.00	0.69
249 - FRONTENAC PUBLIC SCHOOLS	6 - Small Town	23.1%	33.0	7.6	0.69	0.02	0.71
250 - PITTSBURG	6 - Small Town	45.3%	57.2	25.9	0.74	0.05	0.79
251 - NORTH LYON COUNTY	7 - Rural	25.3%	1.4	0.4	0.69	0.00	0.69
252 - SOUTHERN LYON COUNTY	7 - Rural	19.4%	2.1	0.4	0.68	0.00	0.68
253 - EMPORIA	5 - Large Town	43.6%	34.6	15.1	0.73	0.03	0.76
254 - BARBER COUNTY NORTH	7 - Rural	19.7%	0.8	0.2	0.68	0.00	0.68
255 - SOUTH BARBER	7 - Rural	25.0%	0.6	0.2	0.69	0.00	0.69
256 - MARMATON VALLEY	7 - Rural	32.6%	1.6	0.5	0.71	0.00	0.71
257 - IOLA	6 - Small Town	34.3%	10.3	3.5	0.71	0.01	0.72
258 - HUMBOLDT	7 - Rural	30.6%	4.2	1.3	0.70	0.00	0.71
259 - WICHITA	1 - Large City	56.0%	301.4	168.8	0.76	0.30	1.06
260 - DERBY	3 - Urban Fringe of Large City	22.1%	128.4	28.4	0.68	0.10	0.78
261 - HAYSVILLE	3 - Urban Fringe of Large City	27.5%	122.3	33.6	0.69	0.10	0.79
262 - VALLEY CENTER PUBLIC SCHOOLS	3 - Urban Fringe of Large City	14.1%	27.6	3.9	0.67	0.02	0.69
263 - MULVANE	3 - Urban Fringe of Large City	17.0%	22.6	3.8	0.67	0.02	0.69
264 - CLEARWATER	8 - Rural	11.0%	8.9	1.0	0.66	0.01	0.67
265 - GODDARD	8 - Rural	9.8%	59.8	5.9	0.66	0.04	0.70
266 - MAIZE	8 - Rural	5.9%	131.8	7.8	0.65	0.09	0.74
267 - RENWICK	8 - Rural	8.5%	9.5	0.8	0.65	0.01	0.66
268 - CHENEY	8 - Rural	8.5%	5.9	0.5	0.65	0.00	0.66
269 - PALCO	7 - Rural	28.5%	0.6	0.2	0.70	0.00	0.70
270 - PLAINVILLE	7 - Rural	26.4%	1.4	0.4	0.69	0.00	0.69
271 - STOCKTON	7 - Rural	26.5%	0.8	0.2	0.69	0.00	0.69
272 - WACONDA	7 - Rural	27.4%	0.9	0.2	0.69	0.00	0.70
273 - BELOIT	7 - Rural	18.1%	1.7	0.3	0.67	0.00	0.68
274 - OAKLEY	7 - Rural	30.6%	0.7	0.2	0.70	0.00	0.70
275 - TRIPLAINS	7 - Rural	27.7%	0.1	0.0	0.70	0.00	0.70
278 - MANKATO	7 - Rural	29.5%	1.0	0.3	0.70	0.00	0.70
279 - JEWELL	7 - Rural	31.9%	0.7	0.2	0.71	0.00	0.71
281 - HILL CITY	7 - Rural	29.0%	0.6	0.2	0.70	0.00	0.70
282 - WEST ELK	7 - Rural	38.9%	0.8	0.3	0.72	0.00	0.72
283 - ELK VALLEY	7 - Rural	55.1%	1.2	0.7	0.76	0.00	0.76
284 - CHASE COUNTY	7 - Rural	30.5%	0.6	0.2	0.70	0.00	0.70

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DEMOGRAPHIC MEASURES
(2003-04 School Year)

POVERTY WEIGHTS

DISTRICT	CENSUS LOCALÉ CODE	POVERTY (% Free Lunch Students)	DENSITY (Students per sq mi)	URBAN POVERTY (Free Lunch Students per sq mi)	AT-RISK WEIGHT	URBAN POVERTY WEIGHT	TOTAL WEIGHT
285 - CEDAR VALE	7 - Rural	40.6%	0.7	0.3	0.73	0.00	0.73
286 - CHAUTAUQUA COUNTY COMMUNITY SCH	7 - Rural	35.8%	1.1	0.4	0.71	0.00	0.72
287 - WEST FRANKLIN	8 - Rural	26.0%	4.1	1.1	0.69	0.00	0.69
288 - CENTRAL HEIGHTS	8 - Rural	21.4%	4.4	1.0	0.68	0.00	0.68
289 - WELLSVILLE	8 - Rural	12.7%	6.0	0.8	0.66	0.00	0.67
290 - OTTAWA	3 - Urban Fringe of Large City	27.5%	20.5	5.6	0.70	0.02	0.71
291 - GRINNELL PUBLIC SCHOOLS	7 - Rural	13.6%	0.5	0.1	0.66	0.00	0.66
292 - WHEATLAND	7 - Rural	27.7%	0.4	0.1	0.70	0.00	0.70
293 - QUINTER PUBLIC SCHOOLS	7 - Rural	18.9%	1.0	0.2	0.68	0.00	0.68
294 - OBERLIN	7 - Rural	22.9%	0.6	0.1	0.68	0.00	0.68
295 - PRAIRIE HEIGHTS	7 - Rural	23.1%	0.2	0.1	0.69	0.00	0.69
297 - ST FRANCIS COMMUNITY SCHOOLS	7 - Rural	27.4%	0.6	0.2	0.69	0.00	0.70
298 - LINCOLN	7 - Rural	32.9%	0.8	0.3	0.71	0.00	0.71
299 - SYLVAN GROVE	7 - Rural	38.2%	0.5	0.2	0.72	0.00	0.72
300 - COMANCHE COUNTY	7 - Rural	19.4%	0.3	0.1	0.68	0.00	0.68
303 - NESS CITY	7 - Rural	18.7%	0.6	0.1	0.68	0.00	0.68
305 - SALINA	5 - Large Town	34.1%	77.5	26.4	0.71	0.06	0.77
306 - SOUTHEAST OF SALINE	7 - Rural	10.6%	3.1	0.3	0.66	0.00	0.66
307 - ELL-SALINE	7 - Rural	18.3%	2.0	0.4	0.67	0.00	0.68
308 - HUTCHINSON PUBLIC SCHOOLS	5 - Large Town	40.3%	336.2	135.4	0.72	0.30	1.02
309 - NICKERSON	7 - Rural	33.4%	6.0	2.0	0.71	0.00	0.71
310 - FAIRFIELD	7 - Rural	39.2%	0.9	0.4	0.72	0.00	0.72
311 - PRETTY PRAIRIE	7 - Rural	15.7%	1.5	0.2	0.67	0.00	0.67
312 - HAVEN PUBLIC SCHOOLS	7 - Rural	19.8%	3.9	0.8	0.68	0.00	0.68
313 - BUHLER	7 - Rural	19.7%	15.6	3.1	0.68	0.01	0.69
314 - BREWSTER	7 - Rural	25.6%	0.4	0.1	0.69	0.00	0.69
315 - COLBY PUBLIC SCHOOLS	6 - Small Town	20.7%	2.2	0.5	0.68	0.00	0.68
316 - GOLDEN PLAINS	7 - Rural	41.5%	0.8	0.3	0.73	0.00	0.73
320 - WAMEGO	6 - Small Town	15.7%	6.9	1.1	0.67	0.00	0.67
321 - KAW VALLEY	8 - Rural	18.3%	3.4	0.6	0.67	0.00	0.68
322 - ONAGA-HAVENSVILLE-WHEATON	7 - Rural	17.3%	1.4	0.2	0.67	0.00	0.67
323 - ROCK CREEK	7 - Rural	18.5%	3.1	0.6	0.68	0.00	0.68
324 - EASTERN HEIGHTS	7 - Rural	22.3%	0.6	0.1	0.68	0.00	0.68
325 - PHILLIPSBURG	6 - Small Town	20.6%	1.8	0.4	0.68	0.00	0.68
326 - LOGAN	7 - Rural	31.2%	0.6	0.2	0.70	0.00	0.70
327 - ELLSWORTH	6 - Small Town	20.3%	1.5	0.3	0.68	0.00	0.68
328 - LORRAINE	7 - Rural	30.1%	1.1	0.3	0.70	0.00	0.70
329 - MILL CREEK VALLEY	8 - Rural	14.8%	1.2	0.2	0.67	0.00	0.67
330 - WABAUNSEE EAST	8 - Rural	19.2%	1.3	0.3	0.68	0.00	0.68
331 - KINGMAN - NORWICH	7 - Rural	27.3%	2.1	0.6	0.69	0.00	0.70
332 - CUNNINGHAM	7 - Rural	23.6%	0.8	0.2	0.69	0.00	0.69
333 - CONCORDIA	6 - Small Town	35.4%	3.3	1.2	0.71	0.00	0.72
334 - SOUTHERN CLOUD	7 - Rural	35.5%	0.9	0.3	0.71	0.00	0.71
335 - NORTH JACKSON	4 - Urban Fringe of Mid-Sized City	21.1%	2.0	0.4	0.68	0.00	0.68

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DEMOGRAPHIC MEASURES
(2003-04 School Year)

POVERTY WEIGHTS

DISTRICT	CENSUS LOCALE CODE	POVERTY (% Free Lunch Students)	DENSITY (Students per sq mi)	URBAN POVERTY (Free Lunch Students per sq mi)	AT-RISK WEIGHT	URBAN POVERTY WEIGHT	TOTAL WEIGHT
336 - HOLTON	8 - Rural	17.8%	6.7	1.2	0.67	0.00	0.68
337 - ROYAL VALLEY	8 - Rural	25.9%	5.4	1.4	0.69	0.00	0.70
338 - VALLEY FALLS	8 - Rural	17.9%	3.7	0.7	0.67	0.00	0.68
339 - JEFFERSON COUNTY NORTH	8 - Rural	17.0%	4.3	0.7	0.67	0.00	0.67
340 - JEFFERSON WEST	8 - Rural	13.8%	13.9	1.9	0.66	0.01	0.67
341 - OSKALOOSA PUBLIC SCHOOLS	8 - Rural	26.7%	6.7	1.8	0.69	0.01	0.70
342 - MCLOUTH	8 - Rural	15.7%	6.1	1.0	0.67	0.00	0.67
343 - PERRY PUBLIC SCHOOLS	8 - Rural	18.8%	6.4	1.2	0.68	0.00	0.68
344 - PLEASANTON	8 - Rural	40.0%	4.3	1.7	0.72	0.00	0.73
345 - SEAMAN	4 - Urban Fringe of Mid-Sized City	14.0%	39.1	5.5	0.67	0.03	0.69
346 - JAYHAWK	8 - Rural	30.9%	2.0	0.6	0.70	0.00	0.70
347 - KINSLEY-OFFERLE	7 - Rural	34.2%	0.9	0.3	0.71	0.00	0.71
348 - BALDWIN CITY	4 - Urban Fringe of Mid-Sized City	10.9%	9.4	1.0	0.66	0.01	0.67
349 - STAFFORD	7 - Rural	39.9%	1.3	0.5	0.72	0.00	0.73
350 - ST JOHN-HUDSON	7 - Rural	40.3%	1.3	0.5	0.72	0.00	0.73
351 - MACKSVILLE	7 - Rural	45.0%	0.8	0.4	0.74	0.00	0.74
352 - GOODLAND	6 - Small Town	30.8%	1.1	0.3	0.70	0.00	0.70
353 - WELLINGTON	3 - Urban Fringe of Large City	35.6%	7.4	2.6	0.71	0.01	0.72
354 - CLAFLIN	7 - Rural	13.3%	1.9	0.3	0.66	0.00	0.67
355 - ELLINWOOD PUBLIC SCHOOLS	7 - Rural	24.5%	3.3	0.8	0.69	0.00	0.69
356 - CONWAY SPRINGS	8 - Rural	16.1%	3.6	0.6	0.67	0.00	0.67
357 - BELLE PLAINE	8 - Rural	31.4%	9.7	3.0	0.70	0.01	0.71
358 - OXFORD	8 - Rural	15.8%	2.9	0.5	0.67	0.00	0.67
359 - ARGONIA PUBLIC SCHOOLS	8 - Rural	37.9%	1.2	0.5	0.72	0.00	0.72
360 - CALDWELL	8 - Rural	34.2%	1.5	0.5	0.71	0.00	0.71
361 - ANTHONY-HARPER	7 - Rural	36.0%	1.6	0.6	0.71	0.00	0.72
362 - PRAIRIE VIEW	8 - Rural	19.6%	3.1	0.6	0.68	0.00	0.68
363 - HOLCOMB	7 - Rural	28.7%	3.7	1.1	0.70	0.00	0.70
364 - MARYSVILLE	6 - Small Town	21.5%	2.4	0.5	0.68	0.00	0.68
365 - GARNETT	6 - Small Town	31.2%	2.5	0.8	0.70	0.00	0.71
366 - WOODSON	7 - Rural	35.3%	1.2	0.4	0.71	0.00	0.71
367 - OSAWATOMIE	3 - Urban Fringe of Large City	36.8%	11.3	4.2	0.72	0.01	0.73
368 - PAOLA	3 - Urban Fringe of Large City	18.8%	10.3	1.9	0.68	0.01	0.68
369 - BURRTON	8 - Rural	35.0%	2.8	1.0	0.71	0.00	0.71
371 - MONTEZUMA	7 - Rural	28.7%	1.2	0.3	0.70	0.00	0.70
372 - SILVER LAKE	8 - Rural	4.6%	7.7	0.4	0.65	0.01	0.65
373 - NEWTON	3 - Urban Fringe of Large City	34.2%	26.0	8.9	0.71	0.02	0.73
374 - SUBLETTE	7 - Rural	29.5%	1.3	0.4	0.70	0.00	0.70
375 - CIRCLE	8 - Rural	18.8%	8.5	1.6	0.68	0.01	0.68
376 - STERLING	6 - Small Town	27.4%	3.2	0.9	0.69	0.00	0.70
377 - ATCHISON COUNTY COMMUNITY SCHOOL	7 - Rural	20.4%	2.1	0.4	0.68	0.00	0.68
378 - RILEY COUNTY	7 - Rural	11.3%	4.1	0.5	0.66	0.00	0.66
379 - CLAY CENTER	6 - Small Town	24.7%	2.3	0.6	0.69	0.00	0.69
380 - VERMILLION	7 - Rural	18.5%	1.4	0.3	0.68	0.00	0.68

DEMOGRAPHIC MEASURES
(2003-04 School Year)

POVERTY WEIGHTS

DISTRICT	CENSUS LOCALE CODE	POVERTY (% Free Lunch Students)	DENSITY (Students per sq mi)	URBAN POVERTY (Free Lunch Students per sq mi)	AT-RISK WEIGHT	URBAN POVERTY WEIGHT	TOTAL WEIGHT
381 - SPEARVILLE	7 - Rural	9.6%	1.9	0.2	0.66	0.00	0.66
382 - PRATT	6 - Small Town	27.5%	4.4	1.2	0.69	0.00	0.70
383 - MANHATTAN	5 - Large Town	19.5%	31.5	6.1	0.68	0.02	0.70
384 - BLUE VALLEY	7 - Rural	13.6%	0.8	0.1	0.66	0.00	0.66
385 - ANDOVER	8 - Rural	7.4%	72.4	5.4	0.65	0.05	0.70
386 - MADISON-VIRGIL	7 - Rural	29.4%	1.1	0.3	0.70	0.00	0.70
387 - ALTOONA-MIDWAY	7 - Rural	38.0%	1.3	0.5	0.72	0.00	0.72
388 - ELLIS	7 - Rural	20.7%	1.3	0.3	0.68	0.00	0.68
389 - EUREKA	7 - Rural	32.3%	1.2	0.4	0.71	0.00	0.71
390 - HAMILTON	7 - Rural	37.6%	0.6	0.2	0.72	0.00	0.72
392 - OSBORNE COUNTY	7 - Rural	31.8%	0.8	0.3	0.70	0.00	0.71
393 - SOLOMON	7 - Rural	25.5%	2.2	0.6	0.69	0.00	0.69
394 - ROSE HILL PUBLIC SCHOOLS	3 - Urban Fringe of Large City	11.5%	32.6	3.7	0.66	0.02	0.68
395 - LACROSSE	7 - Rural	30.9%	0.7	0.2	0.70	0.00	0.70
396 - DOUGLASS PUBLIC SCHOOLS	8 - Rural	20.0%	6.9	1.4	0.68	0.01	0.68
397 - CENTRE	7 - Rural	25.1%	0.6	0.2	0.69	0.00	0.69
398 - PEABODY-BURNS	7 - Rural	25.1%	1.8	0.5	0.69	0.00	0.69
399 - PARADISE	7 - Rural	36.4%	0.3	0.1	0.72	0.00	0.72
400 - SMOKY VALLEY	6 - Small Town	11.1%	2.3	0.3	0.66	0.00	0.66
401 - CHASE-RAYMOND	7 - Rural	40.7%	0.8	0.3	0.73	0.00	0.73
402 - AUGUSTA	3 - Urban Fringe of Large City	21.8%	29.6	6.5	0.68	0.02	0.70
403 - OTIS-BISON	7 - Rural	32.2%	0.7	0.2	0.71	0.00	0.71
404 - RIVERTON	7 - Rural	36.2%	13.4	4.9	0.72	0.01	0.73
405 - LYONS	6 - Small Town	49.5%	7.4	3.7	0.75	0.01	0.75
406 - WATHENA	8 - Rural	16.9%	4.8	0.8	0.67	0.00	0.67
407 - RUSSELL COUNTY	6 - Small Town	29.7%	1.2	0.4	0.70	0.00	0.70
408 - MARION	7 - Rural	25.5%	2.7	0.7	0.69	0.00	0.69
409 - ATCHISON PUBLIC SCHOOLS	6 - Small Town	43.3%	30.0	13.0	0.73	0.03	0.76
410 - DURHAM-HILLSBORO-LEHIGH	6 - Small Town	17.3%	2.8	0.5	0.67	0.00	0.67
411 - GOESSEL	7 - Rural	9.1%	2.6	0.2	0.65	0.00	0.66
412 - HOXIE COMMUNITY SCHOOLS	7 - Rural	14.6%	0.6	0.1	0.67	0.00	0.67
413 - CHANUTE PUBLIC SCHOOLS	6 - Small Town	36.2%	14.7	5.3	0.72	0.01	0.73
415 - HIAWATHA	7 - Rural	30.8%	2.9	0.9	0.70	0.00	0.70
416 - LOUISBURG	3 - Urban Fringe of Large City	7.8%	8.8	0.7	0.65	0.01	0.66
417 - MORRIS COUNTY	7 - Rural	27.0%	1.7	0.5	0.69	0.00	0.70
418 - MCPHERSON	6 - Small Town	16.4%	15.4	2.5	0.67	0.01	0.68
419 - CANTON-GALVA	7 - Rural	15.0%	2.5	0.4	0.67	0.00	0.67
420 - OSAGE CITY	8 - Rural	25.4%	5.8	1.5	0.69	0.00	0.69
421 - LYNDON	8 - Rural	19.3%	4.1	0.8	0.68	0.00	0.68
422 - GREENSBURG	7 - Rural	25.8%	1.3	0.3	0.69	0.00	0.69
423 - MOUNDRIDGE	7 - Rural	11.1%	2.7	0.3	0.66	0.00	0.66
424 - MULLINVILLE	7 - Rural	26.0%	0.7	0.2	0.69	0.00	0.69
425 - HIGHLAND	8 - Rural	20.1%	2.6	0.5	0.68	0.00	0.68
426 - PIKE VALLEY	7 - Rural	31.5%	1.3	0.4	0.70	0.00	0.71

DEMOGRAPHIC MEASURES
(2003-04 School Year)

POVERTY WEIGHTS

DISTRICT	CENSUS LOCALE CODE	POVERTY (% Free Lunch Students)	DENSITY (Students per sq mi)	URBAN POVERTY (Free Lunch Students per sq mi)	AT-RISK WEIGHT	URBAN POVERTY WEIGHT	TOTAL WEIGHT
427 - REPUBLIC COUNTY	7 - Rural	27.1%	1.3	0.4	0.69	0.00	0.70
428 - GREAT BEND	6 - Small Town	44.2%	16.3	7.2	0.73	0.01	0.75
429 - TROY PUBLIC SCHOOLS	8 - Rural	22.7%	4.0	0.9	0.68	0.00	0.69
430 - SOUTH BROWN COUNTY	7 - Rural	39.7%	4.0	1.6	0.72	0.00	0.73
431 - HOISINGTON	6 - Small Town	30.0%	2.3	0.7	0.70	0.00	0.70
432 - VICTORIA	7 - Rural	9.8%	1.4	0.1	0.66	0.00	0.66
433 - MIDWAY SCHOOLS	8 - Rural	27.4%	1.7	0.5	0.69	0.00	0.70
434 - SANTA FE TRAIL	8 - Rural	24.2%	6.2	1.5	0.69	0.00	0.69
435 - ABILENE	6 - Small Town	26.4%	13.9	3.7	0.69	0.01	0.70
436 - CANEY VALLEY	7 - Rural	30.0%	5.4	1.6	0.70	0.00	0.71
437 - AUBURN WASHBURN	8 - Rural	13.8%	38.7	5.3	0.66	0.03	0.69
438 - SKYLINE SCHOOLS	7 - Rural	18.4%	0.9	0.2	0.67	0.00	0.68
439 - SEDGWICK PUBLIC SCHOOLS	8 - Rural	15.2%	12.0	1.8	0.67	0.01	0.68
440 - HALSTEAD	8 - Rural	22.4%	5.4	1.2	0.68	0.00	0.69
441 - SABETHA	7 - Rural	17.3%	2.9	0.5	0.67	0.00	0.67
442 - NEMAHA VALLEY SCHOOLS	7 - Rural	14.0%	4.2	0.6	0.67	0.00	0.67
443 - DODGE CITY	5 - Large Town	55.2%	13.1	7.2	0.76	0.01	0.77
444 - LITTLE RIVER	7 - Rural	15.1%	1.1	0.2	0.67	0.00	0.67
445 - COFFEYVILLE	6 - Small Town	46.8%	15.7	7.3	0.74	0.01	0.75
446 - INDEPENDENCE	6 - Small Town	37.0%	9.3	3.4	0.72	0.01	0.72
447 - CHERRYVALE	7 - Rural	38.0%	6.5	2.5	0.72	0.01	0.72
448 - INMAN	7 - Rural	12.1%	3.0	0.4	0.66	0.00	0.66
449 - EASTON	8 - Rural	12.6%	6.0	0.8	0.66	0.00	0.67
450 - SHAWNEE HEIGHTS	8 - Rural	14.7%	23.9	3.5	0.67	0.02	0.68
451 - B & B	7 - Rural	21.4%	2.2	0.5	0.68	0.00	0.68
452 - STANTON COUNTY	7 - Rural	38.3%	0.7	0.3	0.72	0.00	0.72
453 - LEAVENWORTH	3 - Urban Fringe of Large City	38.0%	236.2	89.8	0.72	0.20	0.92
454 - BURLINGAME	8 - Rural	23.4%	4.8	1.1	0.69	0.00	0.69
455 - HILLCREST RURAL SCHOOLS	7 - Rural	45.2%	0.6	0.3	0.74	0.00	0.74
456 - MARAIS DES CYGNES VALLEY	8 - Rural	44.9%	2.0	0.9	0.74	0.00	0.74
457 - GARDEN CITY	5 - Large Town	47.2%	7.6	3.6	0.74	0.01	0.75
458 - BASEHOR-LINWOOD	8 - Rural	5.0%	22.6	1.1	0.65	0.02	0.66
459 - BUCKLIN	7 - Rural	27.4%	0.7	0.2	0.69	0.00	0.70
460 - HESSTON	3 - Urban Fringe of Large City	12.2%	13.2	1.6	0.66	0.01	0.67
461 - NEODESHA	6 - Small Town	29.7%	6.7	2.0	0.70	0.01	0.71
462 - CENTRAL	7 - Rural	24.4%	1.1	0.3	0.69	0.00	0.69
463 - UDALL	7 - Rural	27.4%	2.6	0.7	0.69	0.00	0.70
464 - TONGANOXIE	3 - Urban Fringe of Large City	11.7%	10.7	1.2	0.66	0.01	0.67
465 - WINFIELD	6 - Small Town	30.1%	9.6	2.9	0.70	0.01	0.71
466 - SCOTT COUNTY	6 - Small Town	23.5%	1.2	0.3	0.69	0.00	0.69
467 - LEOTI	7 - Rural	26.6%	0.6	0.2	0.69	0.00	0.69
468 - HEALY PUBLIC SCHOOLS	7 - Rural	27.1%	0.5	0.1	0.69	0.00	0.69
469 - LANSING	3 - Urban Fringe of Large City	5.1%	41.2	2.1	0.65	0.03	0.67
470 - ARKANSAS CITY	7 - Rural	46.7%	14.2	6.6	0.74	0.01	0.75

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DEMOGRAPHIC INDICES
(2003-04 School Year)

POVERTY WEIGHTS

DISTRICT	CENSUS LOCALE CODE	POVERTY (% Free Lunch Students)	DENSITY (Students per sq mi)	URBAN POVERTY (Free Lunch Students per sq mi)	AT-RISK WEIGHT	URBAN POVERTY WEIGHT	TOTAL WEIGHT
471 - DEXTER	7 - Rural	30.8%	1.0	0.3	0.70	0.00	0.70
473 - CHAPMAN	7 - Rural	21.8%	1.8	0.4	0.68	0.00	0.68
474 - HAVILAND	7 - Rural	29.7%	0.7	0.2	0.70	0.00	0.70
475 - GEARY COUNTY SCHOOLS	6 - Small Town	36.5%	23.5	8.6	0.72	0.02	0.74
476 - COPELAND	7 - Rural	44.9%	0.6	0.3	0.74	0.00	0.74
477 - INGALLS	7 - Rural	29.8%	1.0	0.3	0.70	0.00	0.70
479 - CREST	7 - Rural	29.8%	1.4	0.4	0.70	0.00	0.70
480 - LIBERAL	6 - Small Town	53.7%	20.9	11.3	0.76	0.02	0.78
481 - RURAL VISTA	7 - Rural	27.2%	1.4	0.4	0.69	0.00	0.70
482 - DIGHTON	7 - Rural	26.7%	0.4	0.1	0.69	0.00	0.69
483 - KISMET-PLAINS	7 - Rural	50.6%	1.4	0.7	0.75	0.00	0.75
484 - FREDONIA	7 - Rural	38.7%	1.8	0.7	0.72	0.00	0.72
486 - ELWOOD	4 - Urban Fringe of Mid-Sized City	39.1%	35.0	13.7	0.72	0.03	0.75
487 - HERINGTON	7 - Rural	25.8%	5.4	1.4	0.69	0.00	0.70
488 - AXTELL	7 - Rural	18.2%	1.4	0.3	0.67	0.00	0.68
489 - HAYS	6 - Small Town	21.0%	8.0	1.7	0.68	0.01	0.69
490 - EL DORADO	3 - Urban Fringe of Large City	29.9%	16.3	4.9	0.70	0.01	0.71
491 - EUDORA	4 - Urban Fringe of Mid-Sized City	15.4%	22.7	3.5	0.67	0.02	0.68
492 - FLINTHILLS	3 - Urban Fringe of Large City	14.8%	0.8	0.1	0.67	0.00	0.67
493 - COLUMBUS	6 - Small Town	37.0%	3.6	1.3	0.72	0.00	0.72
494 - SYRACUSE	7 - Rural	45.0%	0.5	0.2	0.74	0.00	0.74
495 - FT LARNED	6 - Small Town	29.0%	1.7	0.5	0.70	0.00	0.70
496 - PAWNEE HEIGHTS	7 - Rural	24.8%	0.7	0.2	0.69	0.00	0.69
497 - LAWRENCE	2 - Mid-Sized City	20.9%	54.8	11.4	0.68	0.04	0.72
498 - VALLEY HEIGHTS	7 - Rural	26.1%	1.9	0.5	0.69	0.00	0.69
499 - GALENA	6 - Small Town	55.5%	55.7	30.9	0.76	0.05	0.81
500 - KANSAS CITY	2 - Mid-Sized City	67.6%	329.4	222.8	0.79	0.35	1.15
501 - TOPEKA PUBLIC SCHOOLS	2 - Mid-Sized City	52.2%	381.2	198.8	0.75	0.37	1.12
502 - LEWIS	7 - Rural	33.6%	0.6	0.2	0.71	0.00	0.71
503 - PARSONS	6 - Small Town	44.1%	30.0	13.2	0.73	0.03	0.76
504 - OSWEGO	7 - Rural	36.5%	11.5	4.2	0.72	0.01	0.73
505 - CHETOPA	7 - Rural	66.3%	5.8	3.8	0.79	0.01	0.80
506 - LABETTE COUNTY	7 - Rural	25.2%	3.3	0.8	0.69	0.00	0.69
507 - SATANTA	7 - Rural	34.5%	1.6	0.5	0.71	0.00	0.71
508 - BAXTER SPRINGS	6 - Small Town	37.9%	32.5	12.3	0.72	0.03	0.75
509 - SOUTH HAVEN	8 - Rural	22.7%	1.5	0.3	0.68	0.00	0.69
511 - ATTICA	7 - Rural	34.9%	1.1	0.4	0.71	0.00	0.71
512 - SHAWNEE MISSION PUBLIC SCHOOLS	3 - Urban Fringe of Large City	10.3%	391.9	40.3	0.66	0.28	0.93



MEMORANDUM

Legislative Division of Post Audit

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TO: House Select Committee on School Finance
FROM: Barbara J. Hinton, Legislative Post Auditor
DATE: February 1, 2006
SUBJECT: Additional information related to the cost study enrollment weights

Attached are several graphics we prepared to help Committee members better understand how enrollment weights were developed as part of the cost study. These include the following:

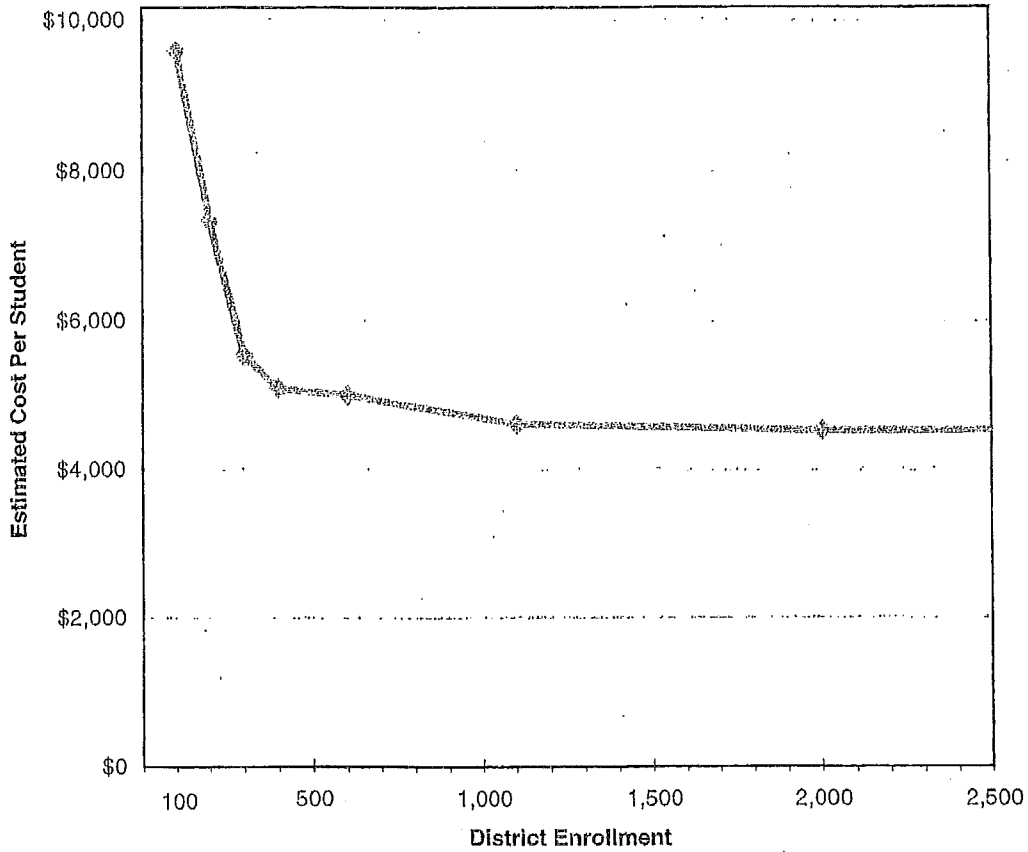
- Estimated costs and resulting low-enrollment weights for the input-based approach (class size 25). The graphics we showed in the report were for a class size of 20.
- Estimated costs and resulting low-enrollment weights for the outcomes-based approach (the cost study report hadn't included a graphic showing the estimated costs under this approach).
- A comparison of the low-enrollment weights for these two approaches with the current funding formula (the graphic we've shown in other presentations related to a class size of 20).

Two additional points I'd like to mention:

First, unlike the areas of Special Education and transportation, our calculation of enrollment weights was not based on an evaluation / modification of the existing formula. As shown on the attached graphics, that calculation is simply a function of how much higher the estimated costs for lower-enrollment and higher-enrollment districts are than the base.

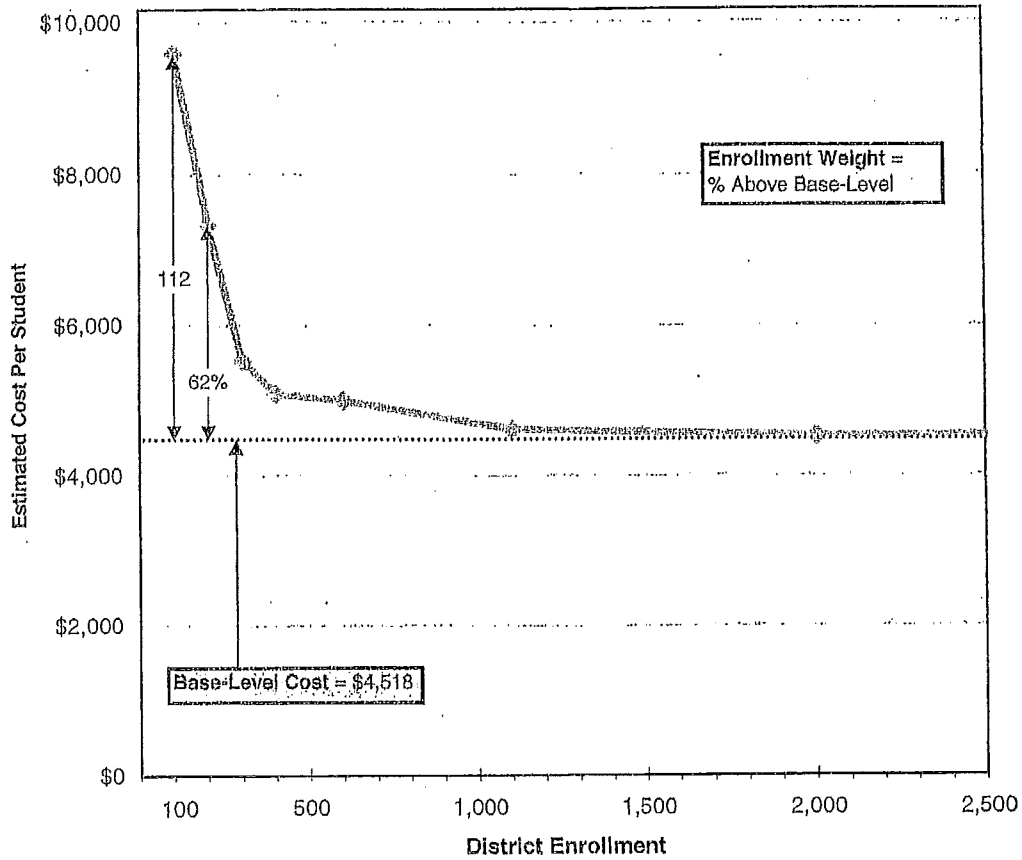
Second, it's our understanding that the current enrollment weights were based on districts' spending levels. The enrollment weights in the cost study are based on estimated costs (for providing what's mandated by State statute, or for achieving performance outcome levels adopted by the Board of Education).

Estimated Cost Per Student
INPUT-BASED (Class Size 25)
2006-07 School Year



Input-Based (Class Size 25)

Calculating Enrollment Weights
INPUT-BASED (Class Size 25)

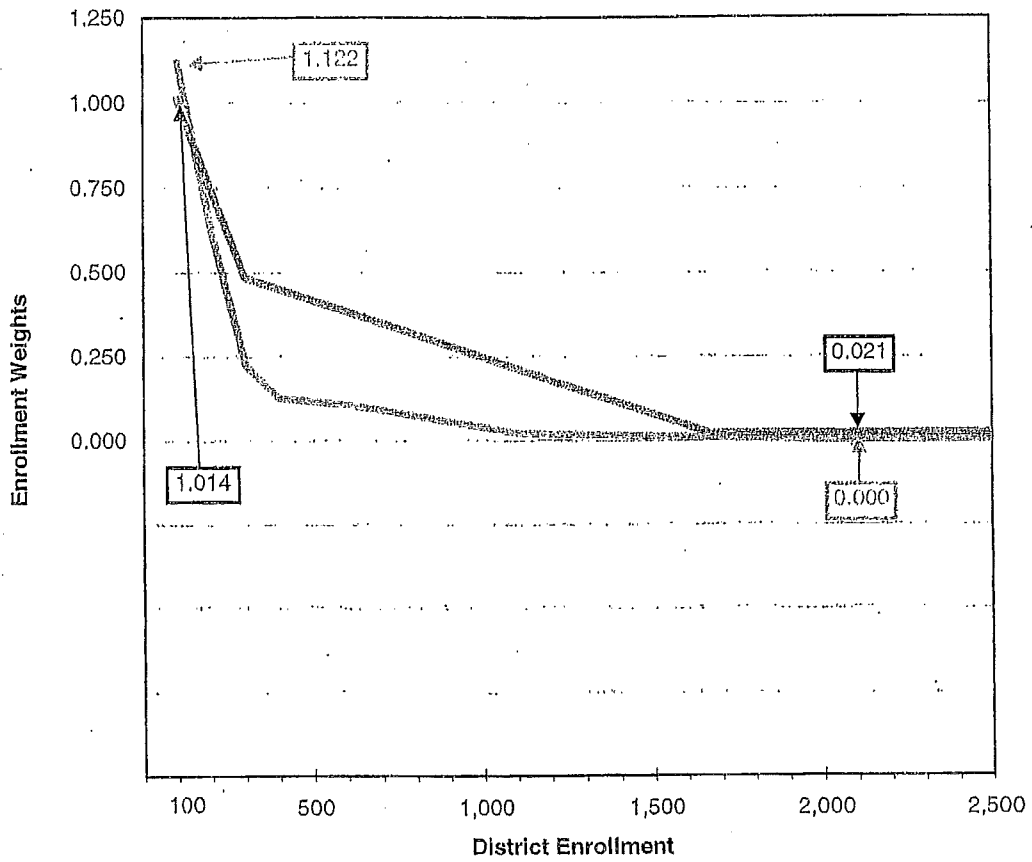


Enrollment Weight =
% Above Base-Level

Base-Level Cost = \$4,518

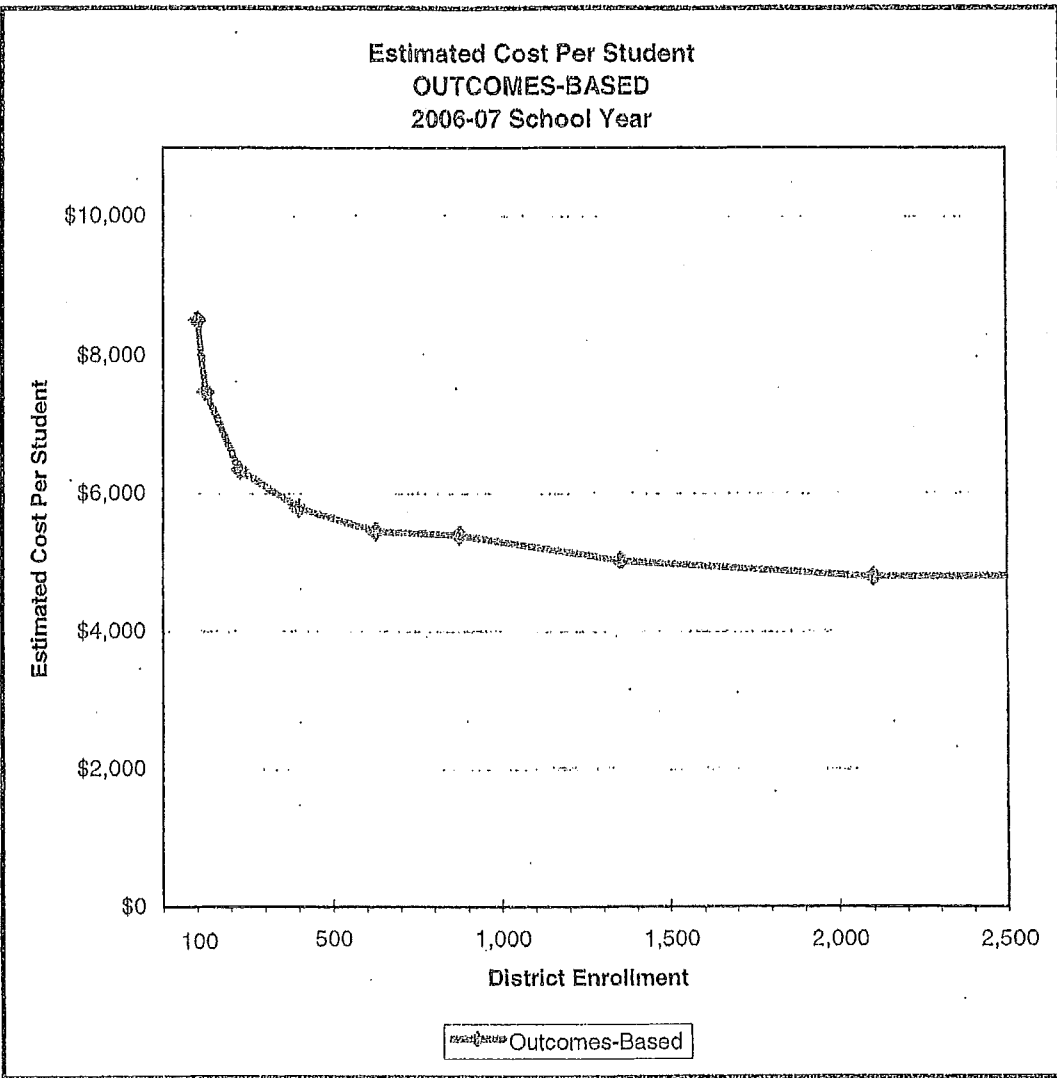
Input-Based (Class Size 25)

Comparison of Enrollment Weights
INPUT-BASED (Class Size 25) and CURRENT FUNDING FORMULA

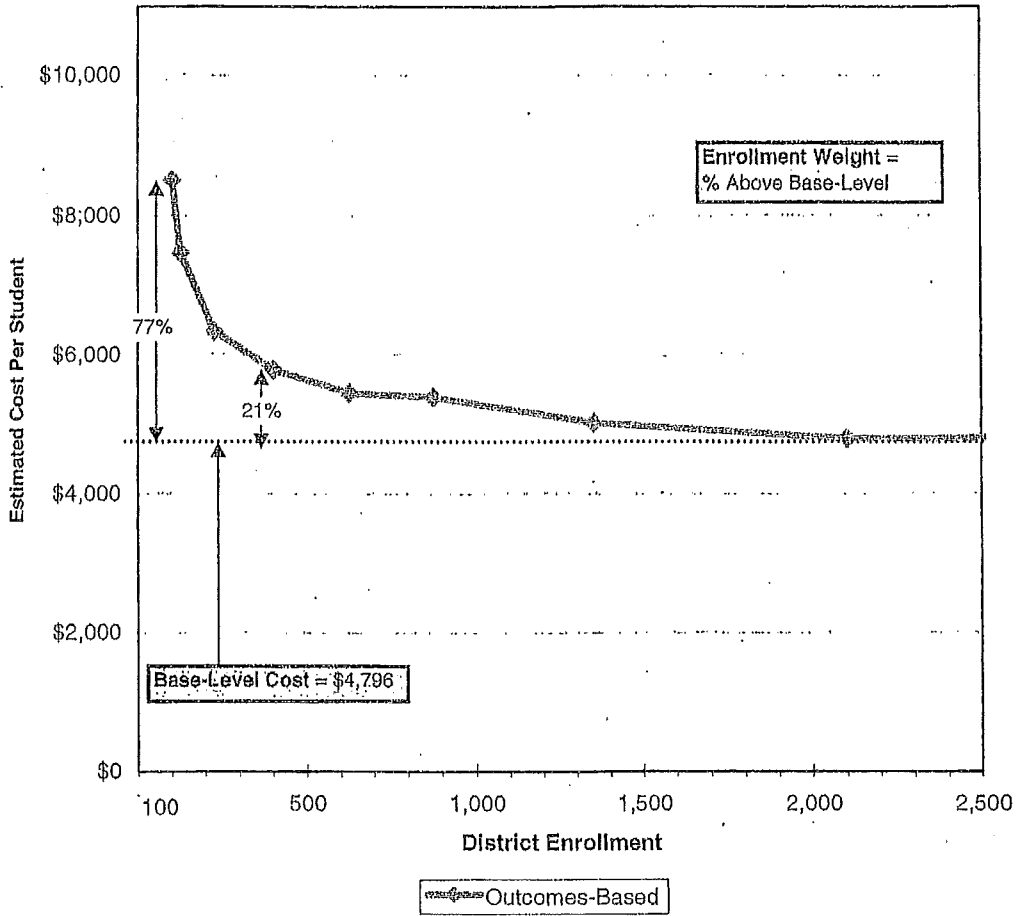


Input-Based (Class-Size 25) Current Funding Formula

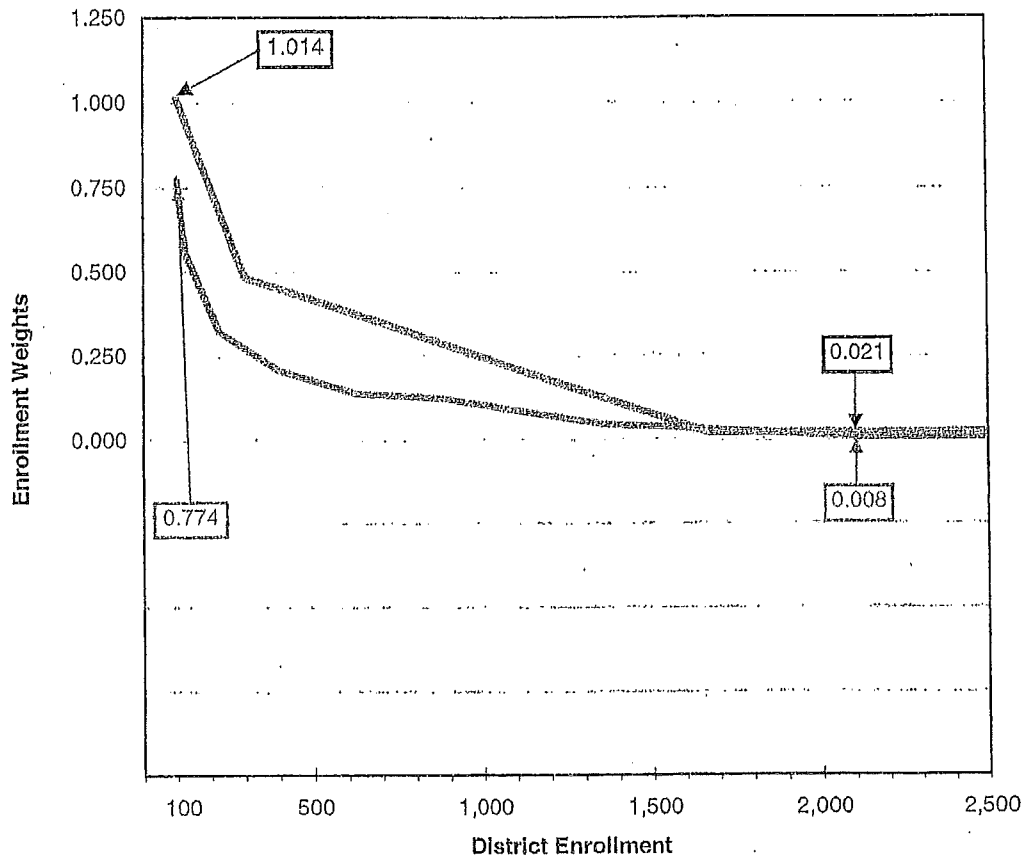
Estimated Cost Per Student
OUTCOMES-BASED
2006-07 School Year



Calculating Enrollment Weights
OUTCOMES-BASED

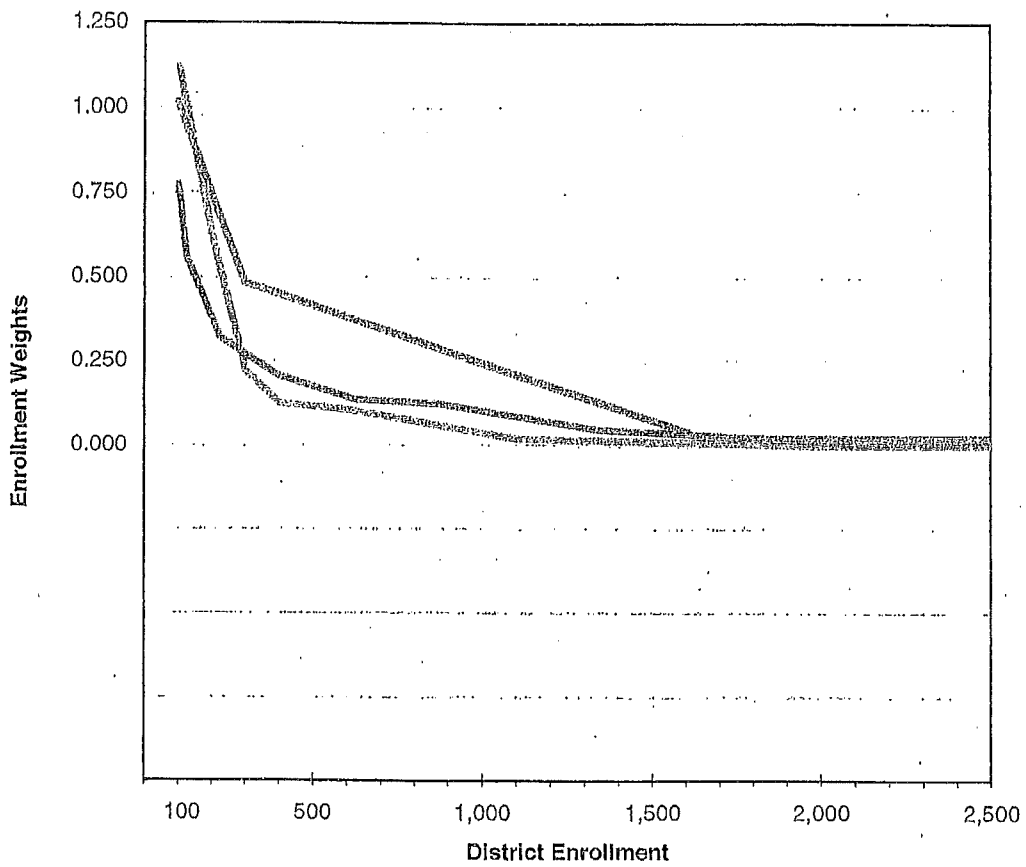


Comparison of Enrollment Weights
OUTCOMES-BASED and CURRENT FUNDING FORMULA

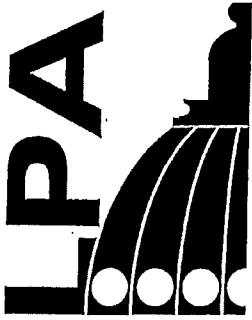


Outcomes-Based Current Funding Formula

Comparison of Enrollment Weights
INPUT-BASED, OUTCOMES-BASED, and CURRENT FUNDING FORMULA



Input-Based (Class Size 25) Outcomes-Based Current Funding Formula



MEMORANDUM

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TO: Members, House Select Committee on School Finance
FROM: Barbara J. Hinton, Legislative Post Auditor
DATE: February 6, 2006
SUBJECT: Additional information related to the regional cost indices presented in the K-12 education cost study

Attached are 4 maps that help show which districts would have a higher or lower salary index for a comparable or "average" teacher in Kansas, taking into account such factors as teacher education and experience, housing costs, distance from a large metropolitan city, and school working conditions.

- **A map showing the overall teacher salary index.** We used statistical techniques to isolate each of the factors noted above to measure how it affects teacher salaries. (e.g., all other things being equal, how much do teacher salaries increase with an increase in their education and experience, or in housing prices in the community?)
- **A map showing the cost of living index.** This index essentially shows how housing costs within a district (and its surrounding counties) compare with the average price Statewide for a comparable house. Districts in communities with high housing prices often need to pay more for a comparable teacher.
- **A map showing the "community amenities" index.** This map essentially shows how the distance to a major metropolitan city affects the salaries a district would have to pay for a comparable teacher. Districts that are closer to such cities may be able to pay less.
- **A map showing the "working conditions" index.** This map shows those districts that have high concentrations of inner-city poverty. Because teachers generally prefer to avoid teaching in such districts, those districts may have to pay more for a comparable teacher.

Appendix 14 (beginning on page 187) provides detailed information about these indices for each school district.

TEACHER SALARY INDEX

This map graphically displays the teacher salary index we calculated as part of our cost study. The regional cost adjustments we made in the study are based on this index. The salary index represents the cost of hiring a comparable teacher (e.g., education, experience) in each district, taking into account three factors that affect teacher salaries but are outside a school district's control:

- **Cost of Living in the Community** – Districts located in communities with high housing prices often need to pay more to attract teachers.
- **Community Amenities** – People often prefer to live near large metropolitan cities because they offer a number of cultural, economic, and social amenities. As a result, districts that are closer to such cities may be able to pay less and still attract teachers. Conversely, districts that are far way from such cities may need to pay more.
- **Working Conditions** – Teachers generally prefer to avoid teaching in high-poverty, inner-city districts. As a result, these districts may have to pay more to attract teachers.

The overall teacher index is determined by the net effect of all three factors. It index works by multiplying the indices for each factor together. For example, the overall salary index in Smith Center (USD 237) looks like this:

<i>Overall Salary Index</i>	=	<i>Cost of Living Index</i>	X	<i>Community Amenities Index</i>	X	<i>Working Conditions Index</i>	X	100
97.21	=	$\frac{95.92}{100}$	X	$\frac{101.46}{100}$	X	$\frac{99.84}{100}$	X	100

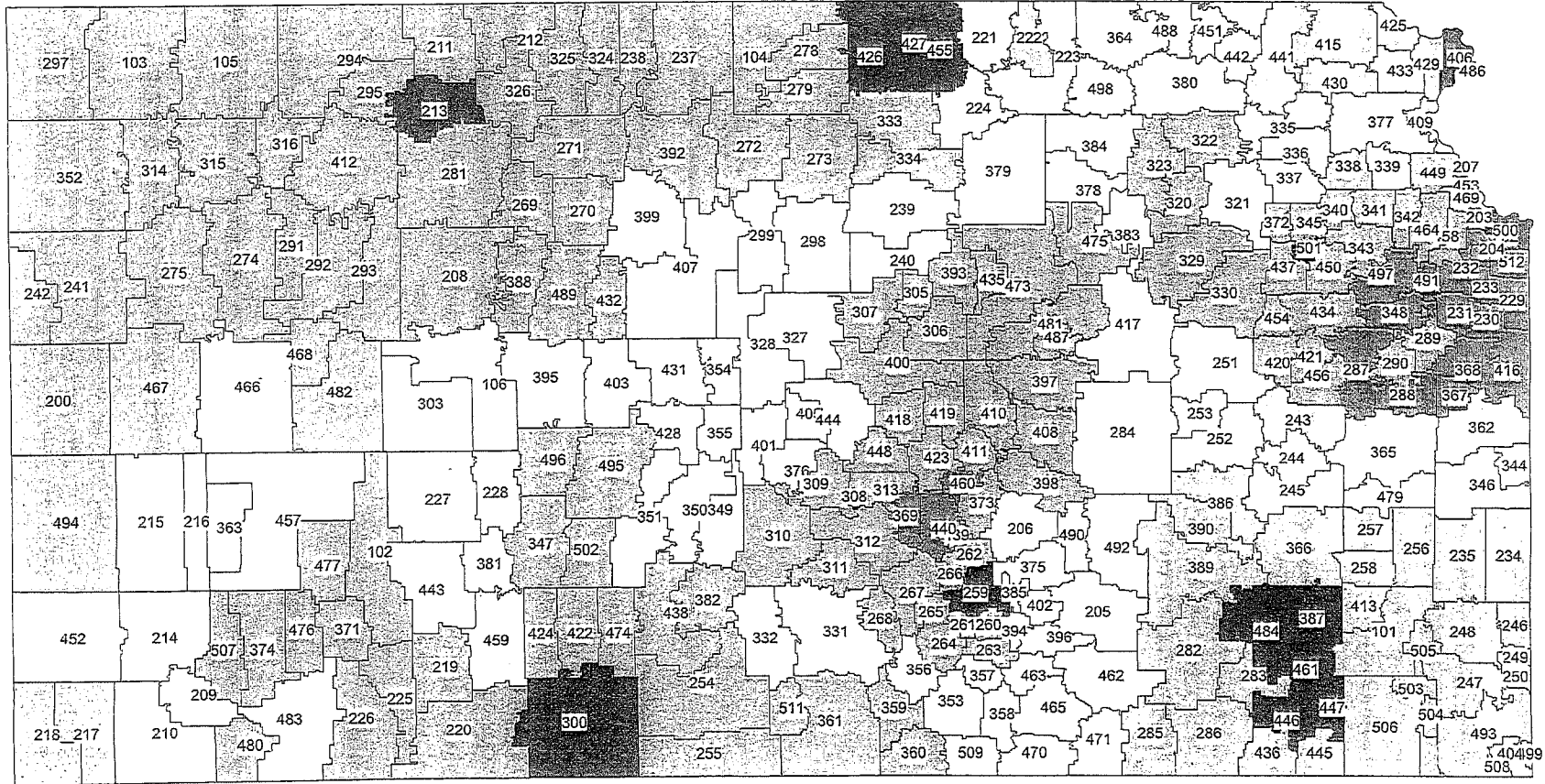
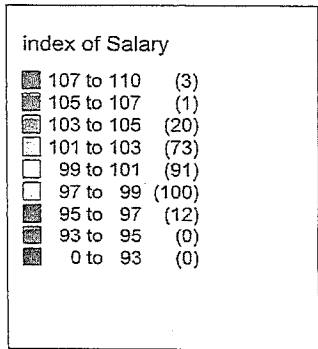
For any one district, one factor may push salaries in one direction, while the other factors may push them in the other direction. In this example, Smith Center is far from a major city, which indicates it might need to pay higher salaries to attract comparable teachers (community amenities index > 100). On the other hand, housing prices in Smith Center are low (cost of living index < 100), which indicates it might be able to pay lower salaries. The final salary index depends on which factor has the strongest effect. In this case, because lower housing prices have a stronger effect than the distance from a major city, the overall salary index for Smith Center is less than 100, which indicates it could pay below average salaries and still attract a comparable teacher.

On the map:

- Districts that had a higher teacher salary index overall are shown in gold, orange, and red (highest cost).
- Districts that had a lower teacher salary index overall are shown in various shades of blue, with the lowest cost districts colored deep blue.
- Districts that aren't shaded had a teacher salary Index that is about average.
- The teacher salary index showed the cost of hiring a comparable teacher would be greatest in the Central and East Central parts of the State. The highest-cost districts are the high-poverty, inner-city districts of Kansas City (USD 500), Topeka (USD 501), and Wichita (USD 259). In addition, there is a relatively high cost area in Southwest Kansas.

Unified School Districts

Index of Salary



COST OF LIVING INDEX

This map shows how cost of living, one of the key components in the teacher salary index varies across the State. The underlying assumption is that a district with a high cost of living has to pay more to attract teachers.

The index is based on housing prices. To build the index, we used property valuation data from the Department of Revenue to determine what a comparable house would cost in each county in the State. Because teachers don't have to live in the districts they teach in, we constructed a regional measure of housing prices for each district. This was calculated by taking the average of housing prices in the district's county, and in the adjacent counties.

On the map:

- Districts with higher housing prices are shown in gold, orange, and red (highest cost).
- Districts with lower housing prices are shown in various shades of blue, with the lowest cost districts colored deep blue.
- Districts that aren't shaded had about average housing prices.
- Housing costs are higher in the Central and East Central parts of the State. These areas follow I-135 and I-70 in Eastern Kansas, and are generally associated with economic growth in the State. Housing costs are the highest in the Kansas City metropolitan area, including both Johnson County and Wyandotte County. Housing prices are lower in North Central, South Central, and parts of Southeast Kansas.

COMMUNITY AMENITIES INDEX

This map shows how the driving distance to a major city affects the salaries a district must pay to attract teachers. People often prefer to live near large metropolitan cities because they offer a number of cultural, economic, and social amenities. As a result, districts that are far way from such cities may have difficulty attracting comparable teachers and have to offer higher salaries.










For this index, we measured the driving distance from each district to Kansas City or Denver, whichever was closer. (In our initial models, we tried to include the distance to smaller cities, such as Wichita, Tulsa, Oklahoma City, and Omaha, but none of these were statistically significant.)

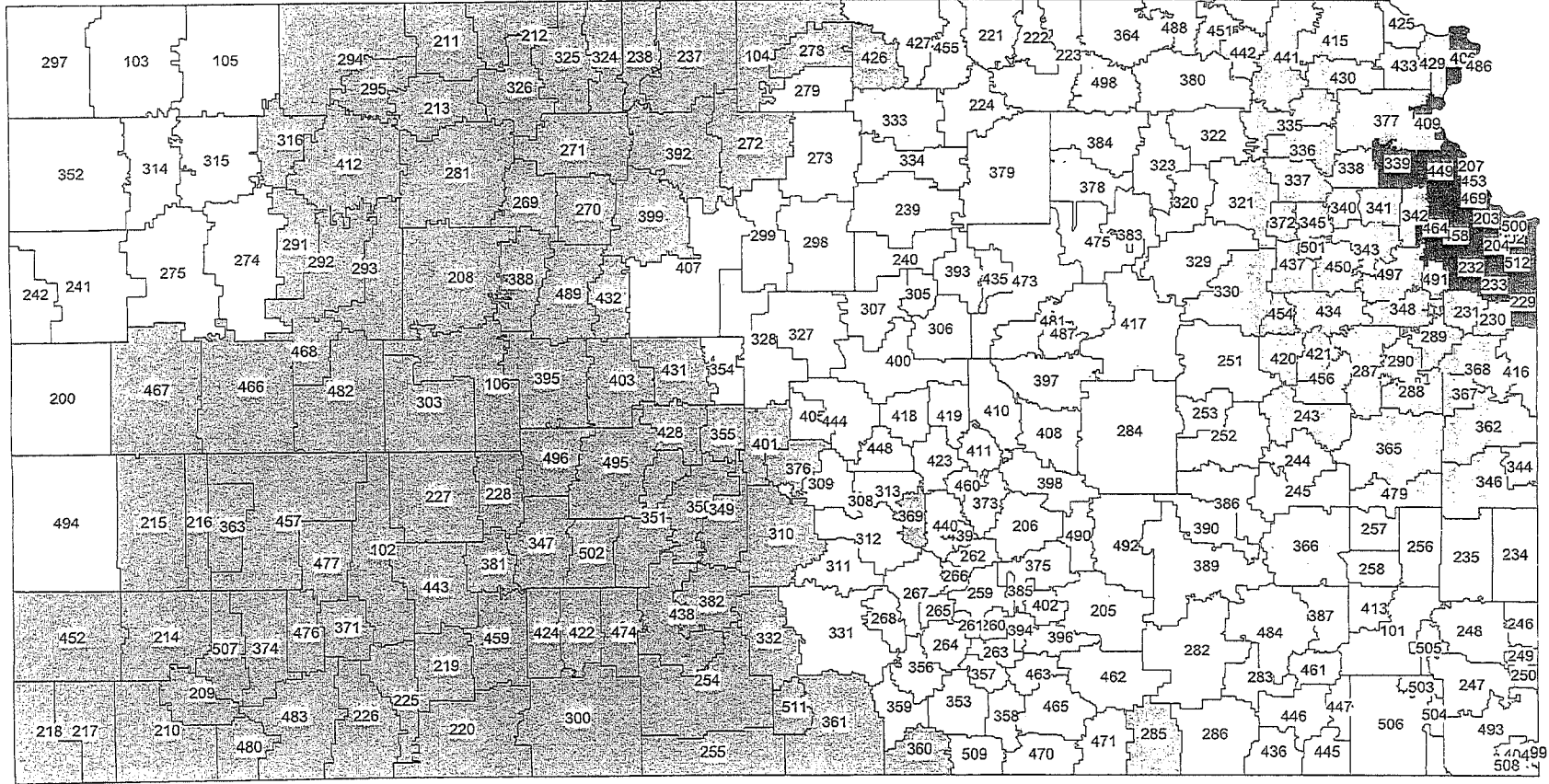
On the map:

- Districts with longer driving distances to the nearest major city are shown in gold. These districts are likely to have to pay higher salaries to attract comparable teachers.
- Districts that are close to Kansas City are shown in shades of blue, with the nearest districts colored deep blue.
- Because most of the districts in Western Kansas are far from a major city, we would expect them to have to pay relatively higher salaries to attract comparable teachers. Districts in the Northeast part of the State are close to Kansas City, and therefore would be able to pay relatively lower salaries and still attract teachers.

Unified School Districts

Index of Comm Amen

index Comm Amen	
	107 to 110 (0)
	105 to 107 (0)
	103 to 105 (0)
	101 to 103 (91)
	99 to 101 (143)
	97 to 99 (48)
	95 to 97 (13)
	93 to 95 (5)
	0 to 93 (0)



WORKING CONDITIONS INDEX

This map shows which districts are affected by high-concentrations of inner-city poverty in districts. Because of poor working conditions, these districts may have to pay more to attract comparable teachers. We used the number of free-lunch students per square mile as our measure of urban poverty. This is the same measure we used in our outcomes-based analysis.

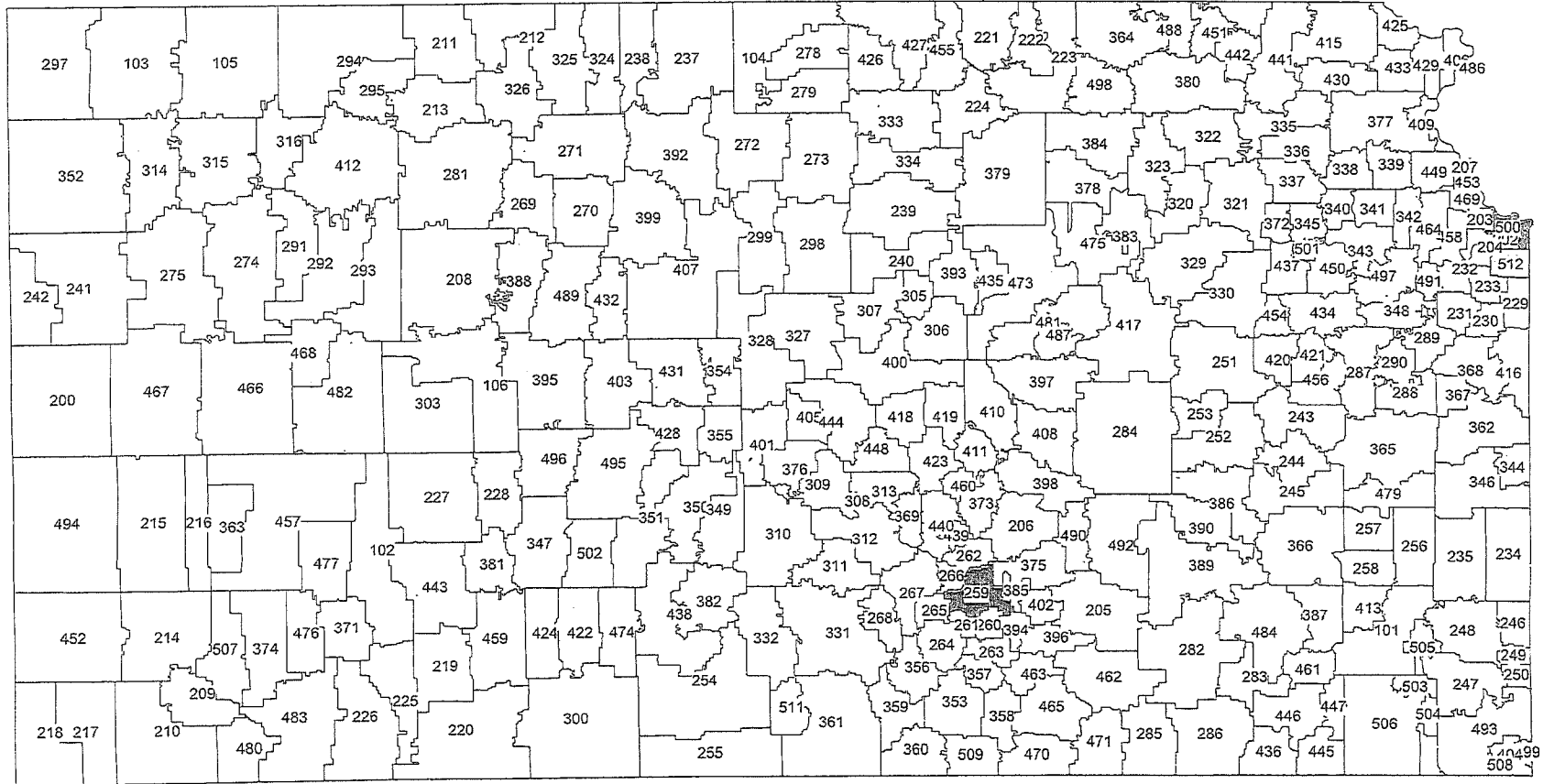
On the map:

- The working conditions index has very little effect in the overwhelming majority of school districts. The districts that are most affected by urban poverty are the State's three large inner-city districts: Kansas City (USD 500), Topeka (USD 501), and Wichita (USD 259).

Unified School Districts

Index of Working Conditions

Index Working Conditions	
■	107 to 110 (1)
■	105 to 107 (2)
■	103 to 105 (1)
■	101 to 103 (3)
■	99 to 101 (293)
■	97 to 99 (0)
■	95 to 97 (0)
■	93 to 95 (0)
■	0 to 93 (0)





MEMORANDUM

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TO: Members, House Select Committee on School Finance
FROM: Barbara J. Hinton, Legislative Post Auditor
DATE: February 7, 2006
SUBJECT: Additional information related to the impact of problems with the transportation formula identified in the K-12 education cost study

Our analysis of the current transportation formula showed that it systematically over-allocates total transportation costs to students who live at least 2.5 miles from school—the ones the State is helping pay for. (The formula assumes it's 2X as expensive for students transported at least 2.5 miles, but in practice the formula always allocated more than 2X, and can allocate as much as 14X the cost to these students.) When that over-allocation is corrected, the estimated amount of State transportation funding is reduced for every district.

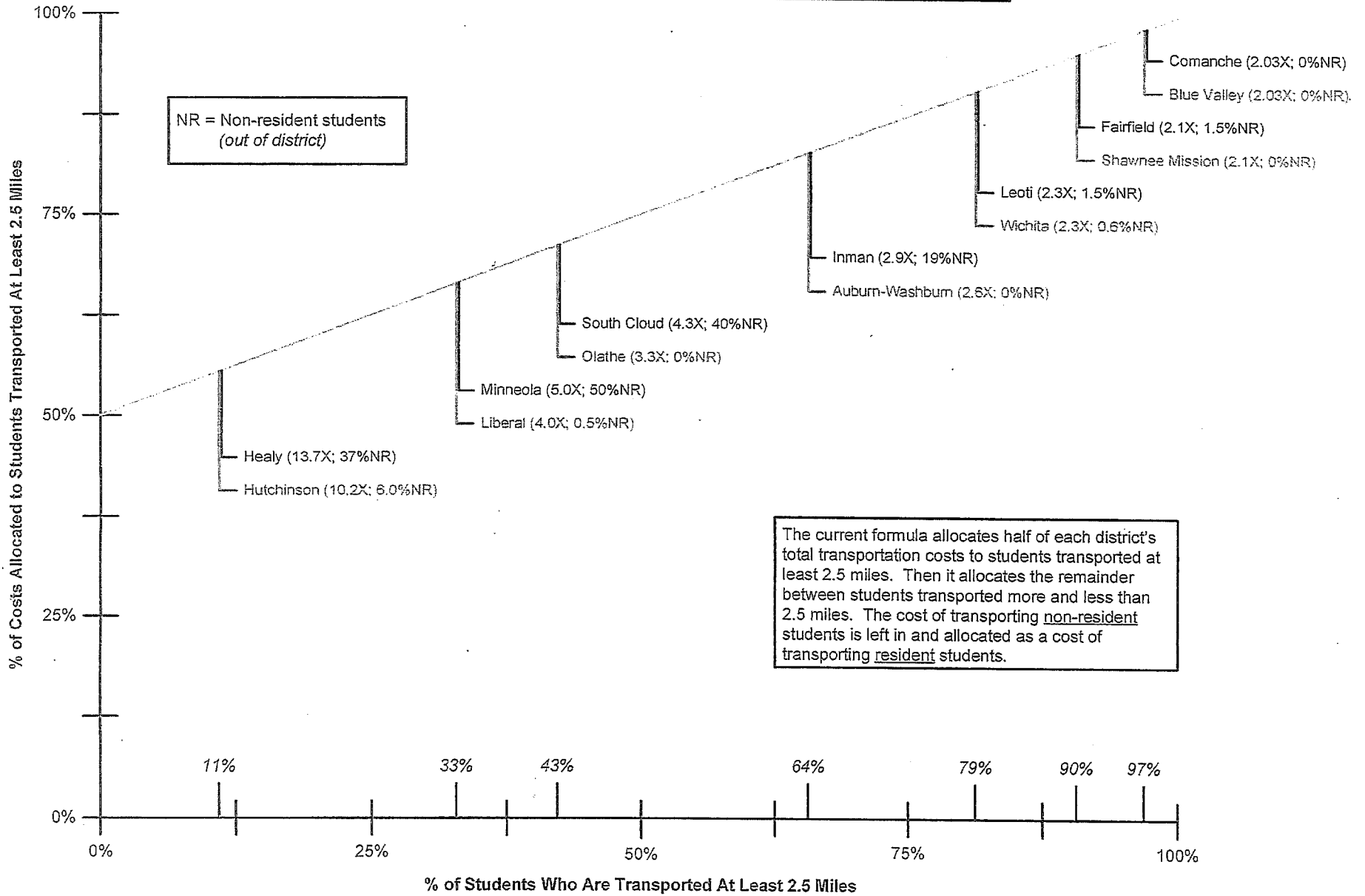
During presentations of our cost study results, legislators and others raised two primary questions regarding the current formula and rural districts:

- **did the current formula allocate a higher percent of transportation costs to students bused more than 2.5 miles just for the small, rural districts?** (in other words, perhaps the allocation of additional costs just to those districts was intentional)
- **did the current formula allocate a higher percent of transportation costs to rural districts because of the longer distances they have to bus their students?** (in other words, perhaps the “problems” we identified simply related to the distances districts had to bus their students)

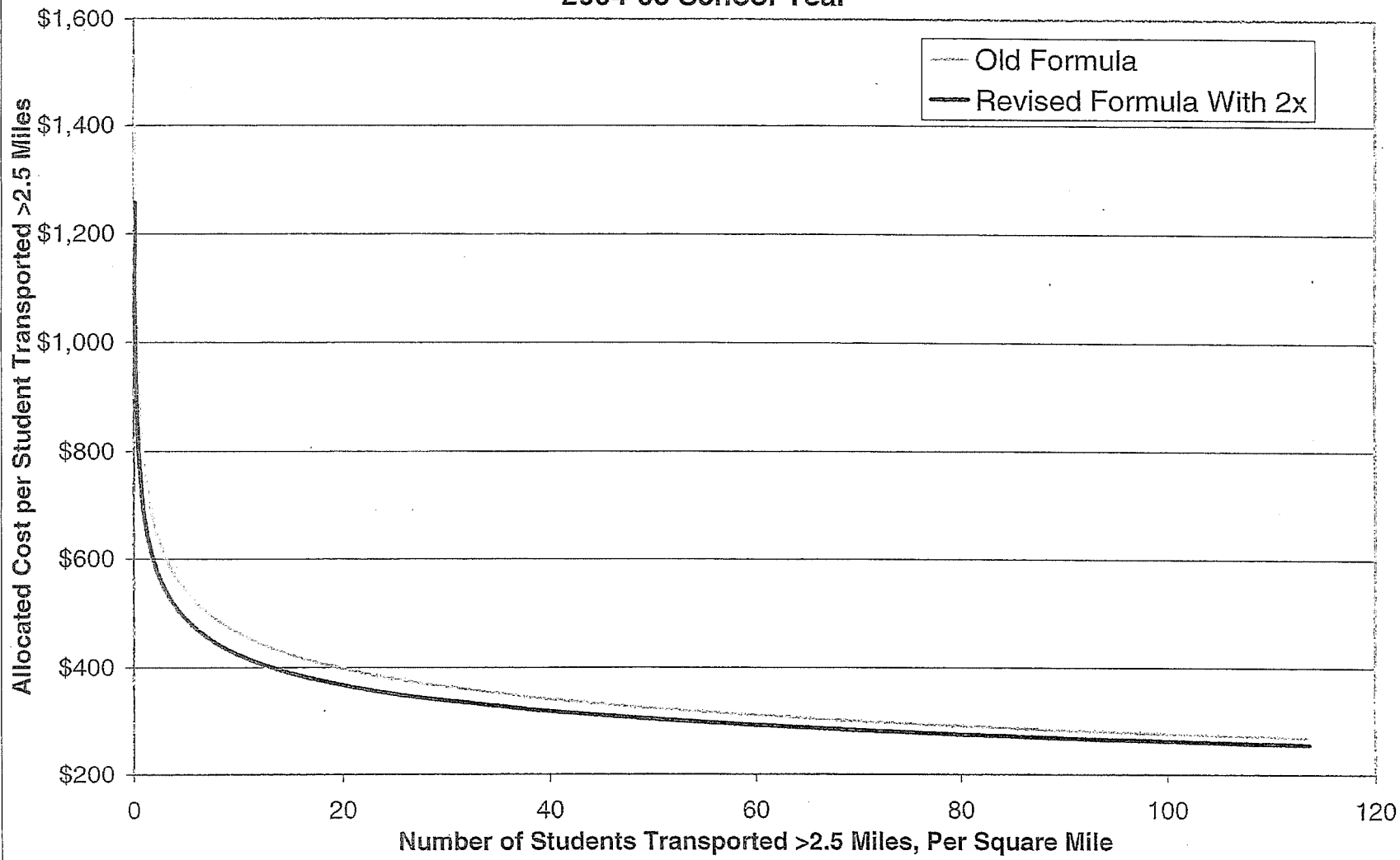
We analyzed our data, and found that the answer to both questions is no. We prepared two sets of graphics to help show those results:

- the first graphic shows an analyses of allocated transportation costs for 7 paired districts that transport the same % of their students more than 2.5 miles. That graph shows the over-allocation occurs for both small and large districts. (In the small districts, a lot of the students transported at least 2.5 miles also were non-residents [NR]. These students costs also were allocated to in-district students, even though the law says their costs should not be counted in computing transportation weighting.)
- the next 4 graphics show the impact of plotting allocated costs on a chart with the density of the student population. (Districts are reimbursed based on the average transportation costs for districts with similar student densities). The top graph shows the existing formula (current and “corrected”). The next 3 graphs show the impact of different assumptions regarding the cost of transporting students more than 2.5 miles.

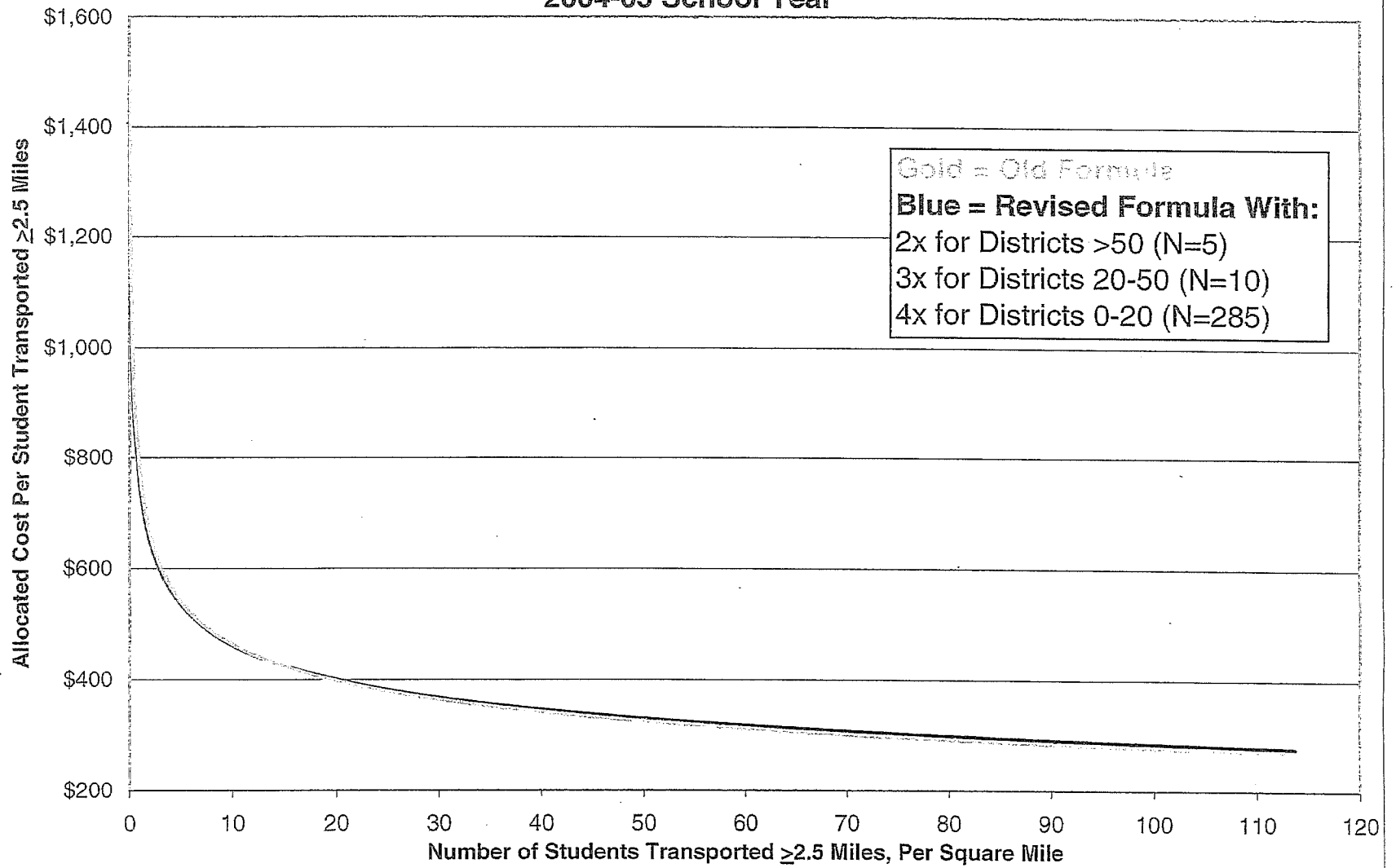
**Allocation of Costs To Students Transported At Least 2.5 Miles
Under the Current Transportation Formula**



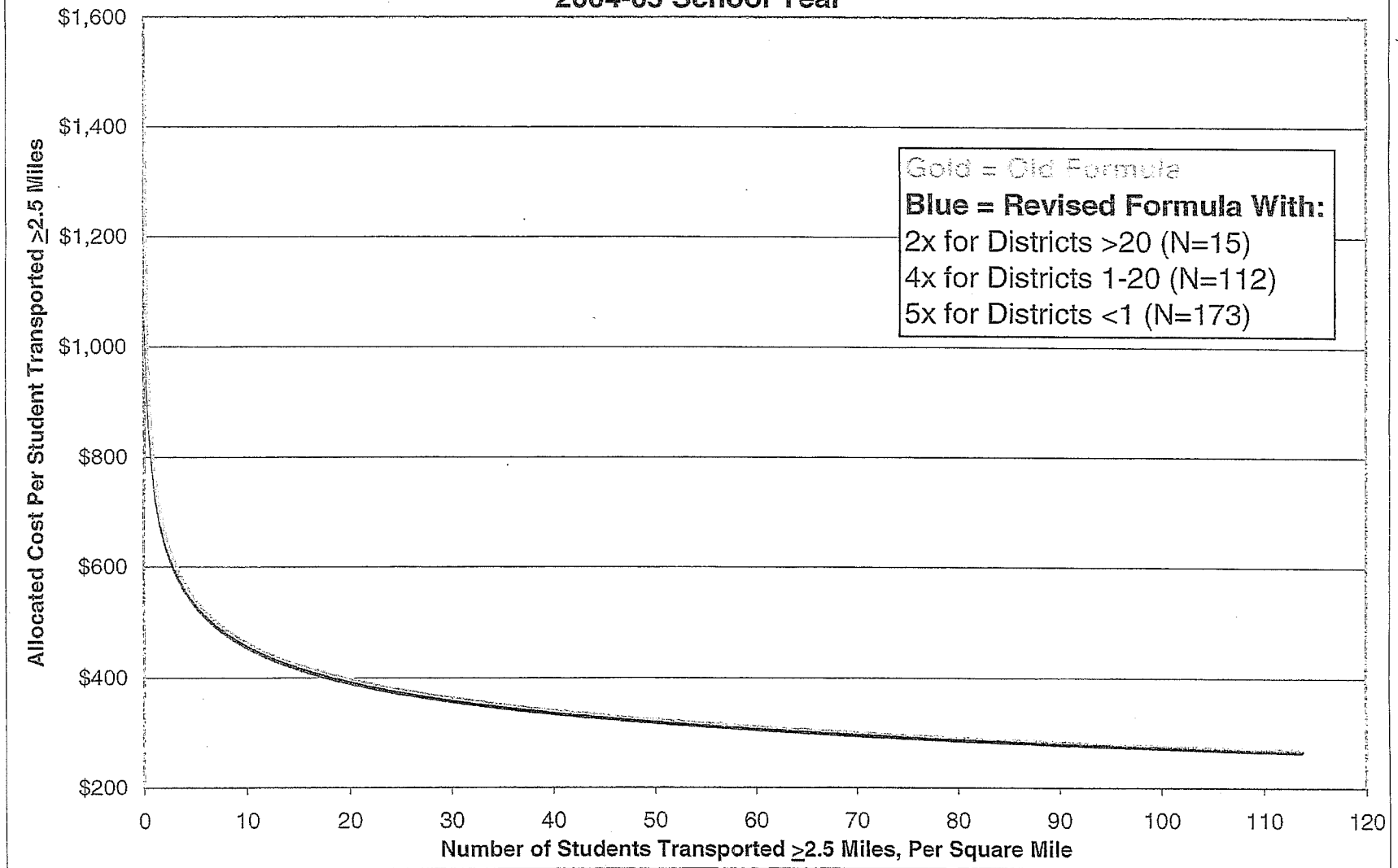
Student Density - Transportation Cost Chart Showing the "Curves of Best Fit"
2004-05 School Year



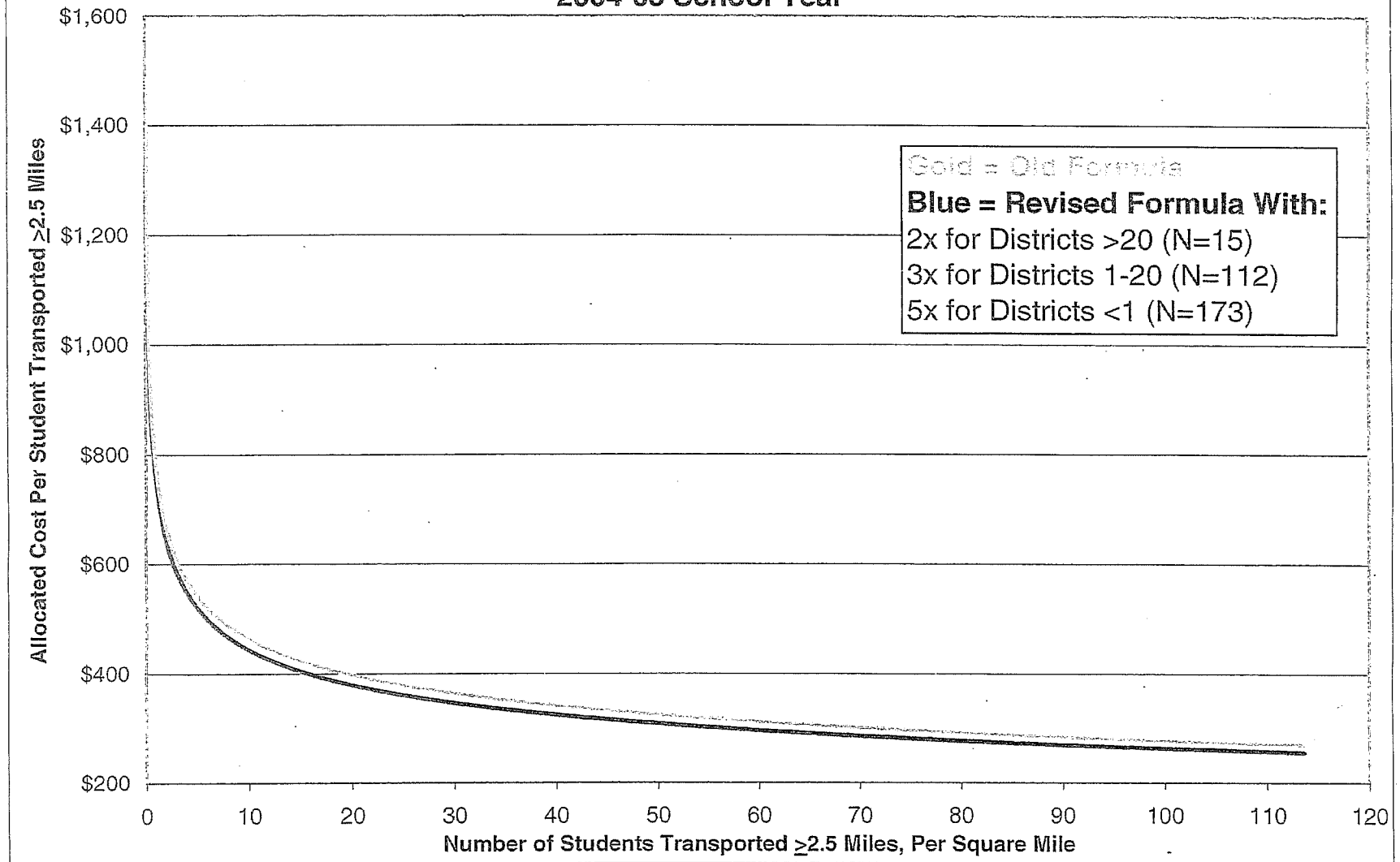
**Student Density - Transportation Cost Chart Showing the "Curves of Best Fit"
2004-05 School Year**



Student Density - Transportation Cost Chart Showing the "Curves of Best Fit"
2004-05 School Year



**Student Density - Transportation Cost Chart Showing the "Curves of Best Fit"
2004-05 School Year**





MEMORANDUM

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TO: Members, House Select Committee on School Finance
FROM: Barbara J. Hinton, Legislative Post Auditor
DATE: February 23, 2006
SUBJECT: Vocational Education Program Costs

At the February 14 meeting of the House Select Committee on School Finance, Representative Crow requested information on which Vocational Education programs are more expensive for school districts to provide.

Using accounting information we gathered during the cost study, we were able to break down the 2004-05 Vocational Education spending for five school districts by Vocational Education program. We used this more detailed accounting information, as well as the number of FTE students in each program, to calculate the direct cost per FTE for each program in each of the five districts. The results of our analysis are summarized in the following table (more detailed information about each district is included in the attached pages):

Program	Direct Cost per FTE
Trade & Industry	\$5,397
Agricultural Education	\$5,026
Business & Computer Technology	\$4,739
Technology Education	\$4,401
Health Occupations	\$3,513
Family & Consumer Sciences	\$3,391
Marketing Education	\$2,273

In looking at this information, there are some important things to keep in mind:

- We had to allocate some amounts based on our judgment. Most, but not all, expenditures could clearly be associated with a specific Vocational Education program. In cases where the spending couldn't be clearly linked with a program, we had to allocate the costs (usually this was done based on the number of students in each program). In addition, Salina had 6.9 FTE students (out of 182.2 FTE) that we couldn't identify with a specific program, so we had to allocate these FTE across all programs.
- The sample isn't large enough to truly represent the Vocational Education program costs in all districts. While the information may help identify which programs are most expensive, we would recommend that the Committee be cautious about using the information as the basis for determining the overall level of Vocational Education funding.

Enclosure

cc: Kathie Sparks, Legislative Research Department
Carolyn Rampey, Legislative Research Department
Theresa Kiernan, Revisor of Statutes Office
Art Griggs, Revisor of Statutes Office

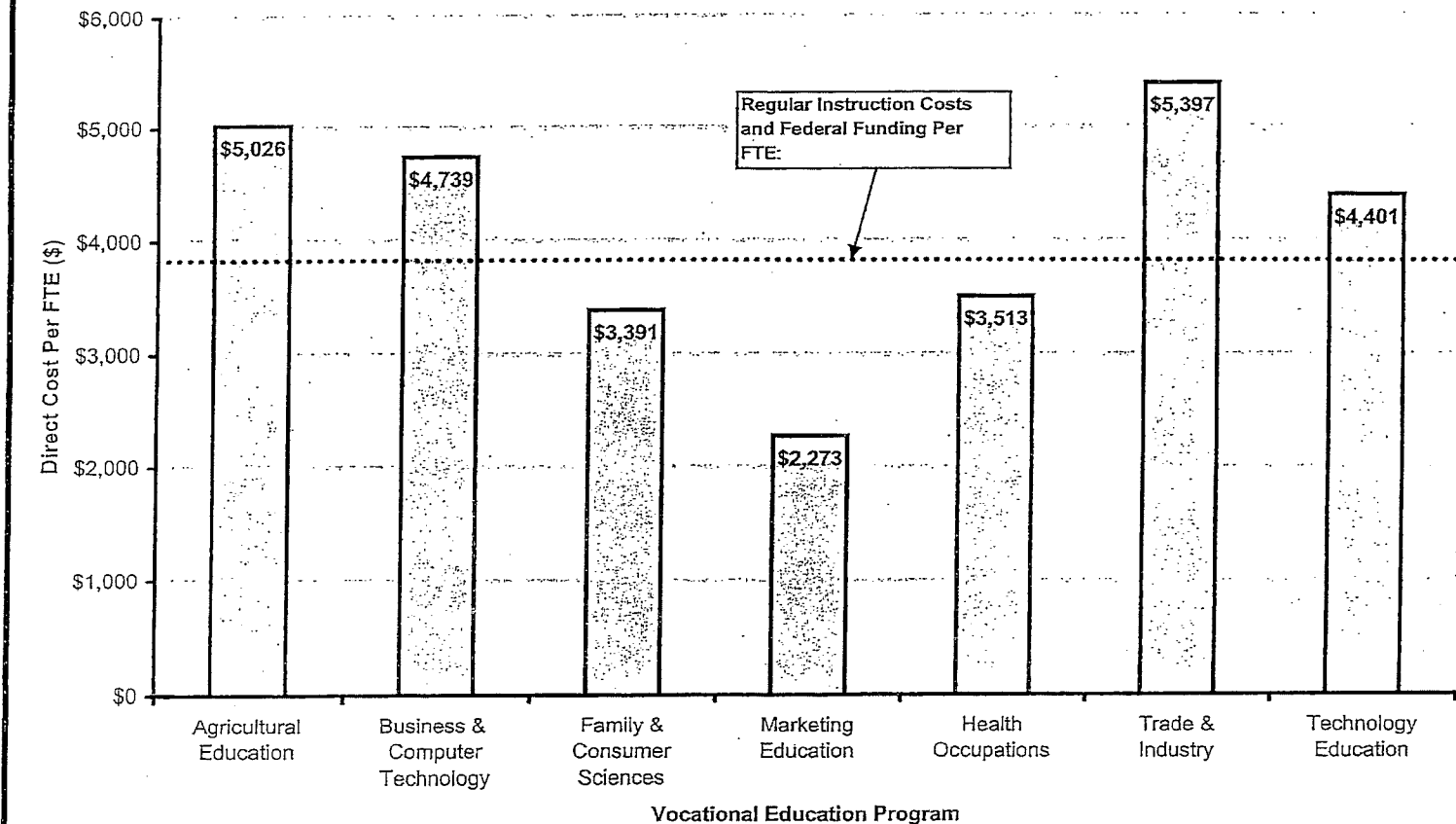
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**Direct Cost Per Student for Vocational Education Programs
In Five Sample Districts
2004-05 School Year**

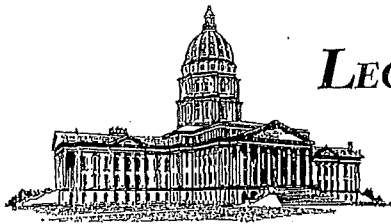
District	Vocational Education Program													
	Agricultural Education		Business & Computer Technology		Family & Consumer Sciences		Marketing Education		Health Occupations		Trade & Industry		Technology Education	
	FTE	\$/FTE	FTE	\$/FTE	FTE	\$/FTE	FTE	\$/FTE	FTE	\$/FTE	FTE	\$/FTE	FTE	\$/FTE
259 - Wichita	—	—	523.1	\$4,560	390.1	\$3,161	204.5	\$2,198	26.6	\$3,203	60.2	\$4,447	139.2	\$3,797
305 - Salina	3.0	\$3,712	76.2	\$4,894	30.8	\$3,788	2.6	\$19	22.6	\$2,242	23.8	\$1,248	23.5	\$4,509
437 - Auburn-Washburn	0.7	\$5,775	40.2	\$8,747	28.8	\$6,269	—	—	—	—	28.5	\$6,650	16.4	\$8,704
443 - Dodge City	27.7	\$5,618	60.0	\$3,824	46.2	\$3,211	—	—	17.0	\$3,342	7.0	\$26,737	45.7	\$4,554
465 - Winfield	20.4	\$4,388	25.8	\$3,801	14.8	\$3,612	6.5	\$5,546	7.1	\$9,125	14.0	\$3,308	19.9	\$4,600
TOTAL/WEIGHTED AVG.	51.8	\$5,026	725.2	\$4,739	510.6	\$3,391	213.6	\$2,273	73.3	\$3,513	133.5	\$5,397	244.7	\$4,401

Source: LPA analysis of Vocational Education data from sample districts.

Direct Cost Per Student for Vocational Education Programs
 Weighted Average of Five Sample Districts(a)
 2004-05 School Year



(a) Salina (305), Wichita (259), Dodge City (443), Winfield (465), Auburn-Washburn (437)
 Source: LPA analysis of Vocational Education data received from five sample school districts.



LEGISLATURE OF KANSAS
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Date: April 21, 2006
 To: All Legislators
 From: Barb Hinton, Legislative Post Auditor
 Subject: How we handled the Local Option Budget in our school cost study

Over the past several weeks, a number of legislators have contacted our office with questions about how we handled State funding for districts' local option budgets in our school cost study, and about how we would have handled it under various proposals being considered by the Legislature. I thought it might be helpful to share this information with all legislators.

How We Handled the Local Option Budget

In short, we did not count State Supplemental Aid (State funding used to help equalize districts' LOBs) as covering part of the cost of achieving performance outcome standards. We felt we had to treat that funding the same way the current school finance formula treats it; State Supplemental (Equalization) Aid is paid on top of State funding for districts' basic operating costs.

What we did is summarized in the following matrix; the text that follows it provides a bit more explanation.

Estimated Foundation-Level Costs	2006-07	
Our estimate of the cost of achieving performance outcome standards adopted by the Board <i>(our focus was on identifying basic operating costs, excluding districts' costs for KPERS, which the State pays separately on districts' behalf)</i>	\$3.151 billion	This figure was computed for each district, then totaled. Note: Increasing districts' general fund budgets <u>also</u> would increase State Supplemental (Equalization) Aid (our estimate = \$38 million; latest estimate = \$35 million) and KPERS (our estimate = \$23 million)
MINUS (-) an estimate of what the State would pay under the current formula <u>for basic operating costs</u> <i>(Under the current formula, this is called General State Aid. It's also often called districts' general fund budgets. We referred to it generically as foundation-level funding.)</i>	-\$2.752 billion	
EQUALS (=) an estimate of the additional amount of foundation-level funding needed to cover basic operating costs.	= \$399 million	

<p>Other sources of State funding that weren't counted as covering part of the estimated \$3.151 billion cost (and the reasons why not)</p>	<p>Our estimate =</p>	<p>Under the current formula, this State aid isn't used as a source of funding for General State Aid (basic operating costs). It's paid <u>on top of that funding.</u></p>
<p>State Supplemental (Equalization) Aid <i>(State funding to help equalize districts' LOBs)</i></p>	<p>\$222 million</p>	<p>(Current estimate = \$239 million)</p>
<p>State funding for districts' KPERS contributions</p>	<p>\$175 million</p>	<p>These funds weren't counted because the <u>costs</u> for KPERS were never included in our cost estimates.</p>

Summary of How the School Finance Formula Treats State Aid for School Districts

Kansas has a two-tiered funding system for K-12 education (described on pages 3-4 of the cost study, and shown graphically in the attached graphic):

Tier I: A basic operating aid program funded through the General State Aid formula. The State's share of funding for the basic operating aid program comes from SGF dollars; the local "effort" or share comes primarily from the mandatory Statewide 20-mill property tax. General State Aid in Kansas (often referred to as districts' general fund budgets) is a variation on the "foundation program" that's used in most states. Funding for foundation programs often is called "foundation-level" funding, which is partly why we used that term in the cost study.

Tier II: An optional enhancement program funded through the local option budget. The LOB was created to allow districts to raise money locally for enhancing their educational programs beyond the basic operating level. It's funded primarily with additional property taxes levied at the local level (under current law, up to 29% of districts' general fund budgets for 2006-07). To equalize districts' ability to raise these additional local property taxes for enhancing their programs, the State gives less wealthy districts State Supplemental (Equalization) Aid.

We didn't include the State aid paid to help equalize districts' LOBs in our calculation of the additional amount of foundation-level funding needed for 2006-07 (Figure 1.7-1 of the cost study) for the following reasons:

1. In the K-12 cost study, our charge was to estimate the costs of providing what's mandated by statute, and of achieving the outcomes adopted by the State Board. Our goal was to identify basic operating costs under both approaches (those costs the State would be obligated to fund).
2. Our framework for thinking about and compiling these costs was the current **General State Aid** formula (Kansas' basic operating aid program). The components of the General State Aid formula include the BSAPP, all the various weights used to adjust enrollments (i.e., at-risk, bilingual, low enrollment, Special and Vocational Education, transportation, etc.), and the "local effort"—primarily the mandatory Statewide 20-mill property tax.

3. The costs and weights estimated as part of the cost study were plugged into the General State Aid formula to allow comparisons between basic operating costs under the current formula, and under our cost study models.
4. Under the current school finance formula; the State aid that's given to help equalize districts' LOBs isn't used as a source of funding for General State Aid (basic operating costs)—it's paid on top of that funding. We felt we had to treat it the way current law treats it, even if districts may have been using some of that funding for their basic operating costs.
5. We showed the impact of increasing foundation-level funding on State funding for State Supplemental (Equalization) Aid and KPERS contributions in Figure 1.7-4 of the cost study.

On page 83 of the cost study, we also pointed out that the Legislature should consider whether to take any actions "to limit the growth in school districts' local option budgets. If the Legislature adopts any of our cost study estimates, the resulting increase in foundation-level funding would allow districts' local option budgets—and the State's Supplemental (Equalization) Aid—to significantly increase, unless local boards of education act to reduce them."

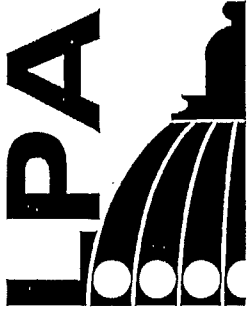
How Would We Have Handled LOB Funding Under Various Proposals Being Considered By the Legislature

I can only respond to this at the conceptual level. For example, if the laws on the books last year had mandated that State Supplemental (Equalization) Aid had to be used for districts' basic operating costs, or had made parts of the LOB mandatory, we would have felt we had to count the applicable funds as covering part of the estimated \$3.151 billion cost for achieving the performance audit standards for 2006-07. We would have applied those funds on a district-by-district basis, and shown the total in the table on page 77. At this point, of course, we can't know whether the Court would have agreed with that decision.

I hope this information is helpful. If you have any questions about what I've provided here or about any aspects of the school cost study, please let me know.

attachment

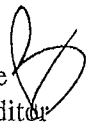
cc: Kathie Sparks, Legislative Research Department
Carolyn Rampey, Legislative Research Department



MEMORANDUM

Legislative Division of Post Audit

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TO: Members, Senate Education Committee 
FROM: Barbara J. Hinton, Legislative Post Auditor
DATE: April 24, 2006
SUBJECT: Additional information related to the school cost study

As you know, our cost study results showed the following for the outcomes-based approach:

Est. additional foundation-level funding needed for 2006-07:	\$399.3 million
Est. impact of that increase on State Supplemental (Equalization) Aid and on the State's KPERS payment made on districts' behalf:	\$ 61.3 million
Hold-harmless provision:	<u>\$ 9.4 million</u>
Total estimated increase	\$470.0 million

I wanted to share two thoughts with you that relate to the \$399 million figure:

First, this \$399 million figure already takes into account the \$31.8 million in Special Education funding increases for 2006-07 that the Legislature passed last year. To determine the amount of additional funding that would be needed over 2005-06 spending, the \$31.8 million for Special Education would be added to the \$399 million figure. This fact isn't highlighted in the cost study report, and I didn't want the Committee or the Legislature to be blind-sided by this fact at some point in the future.

At the same time, this \$399 million figure includes about \$38 million in funding for new and ancillary facilities, declining enrollments, and other minor adjustments. As we stated in our report, we included this funding in all the cost study models because the Legislature had made a separate policy decision to fund these areas, and this funding was in addition to the other funding components in the school finance formula.

Although including these figures across the board made sense to us at the time from the standpoint of building a funding formula, it doesn't make as much sense from the standpoint of developing a Statewide funding target for 2006-07. Because these figures don't represent costs necessary to meet performance outcome standards, we think an argument can be made for counting them against the total estimated costs for 2006-07 under the outcomes-based approach, which would lower the \$399 million by about \$38 million.

These points, while not really related, have an offsetting impact on each other. One would raise the \$399 million by about \$32 million, and the other would lower it by about \$38 million.

If you have any questions about this information, please let me know.