

COUNCIL OF SUPERINTENDENTS

OCTOBER 20, 2010

Dale M. Dennis, Deputy
Commissioner of Education

PLAINTIFFS'
EX. 247

KSDE139921

Base State Aid Per Pupil

* Approximately \$244 of the increase was a result of raising the BSAPP and lowering the enrollment weighting which resulted in no increased spending authority.

$$\text{\$ } 4,012 - \text{\$ } 244 = \text{\$ } 3,768$$

(compares to school years prior to
2005-06)

Base State Aid Per Pupil

Statutory BSAPP	\$ 4,492
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BSAPP for 2009-10 & 2010-11	\$4,012
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**STATUS OF THE STATE GENERAL FUND
Actual FY 2010 and FY 2011 as Approved by the Legislature
and as Adjusted for Actual Receipts through August and New Federal Stimulus Funds**

FY 2010-FY 2012
(In Millions)

	Actual FY 2010	Adjusted FY 2011	Estimated FY 2012
Beginning Balance	\$ 51.2	\$ (24.4)	\$ 65.3
Base Tax Receipts (Apr. 2010 Consensus Estimate for FY 2010 and FY 2011; 4.0% growth in FY 2012)	5,087.8	5,250.6	5,460.6
Additional Revenues from Senate Substitute for House Bill No. 2369	-	303.6	352.1
Subtotal - Base Tax Receipts Adjusted for Legislation	5,087.8	5,554.2	5,812.7
Other Revenue (transfers, agency earnings, interest)**	203.2	213.1	43.7
Less Actual Receipts Collections Through August, 2010 (Tax receipts only)	(98.6)	36.0	-
Total Available Revenue	\$ 5,243.6	\$ 5,778.9	\$ 5,921.7
Expenditures ***	5,798.7	6,198.0	6,210.3
Federal Economic Stimulus Legislation ****	(530.7)	(452.4)	-
Subtotal - Expenditures	5,268.0	5,745.6	6,210.3
Ending Balance	\$ (24.4)	\$ 66.3	\$ (288.6)
Ending Balance as a Percentage of Expenditures	-0.5%	1.1%	-4.6%
Adjusted Receipts in Excess of Unadjusted Expenditures	\$ (24.4)	\$ 66.3	\$ (288.6)

*) Assumes 4.0 percent growth in tax receipts in FY 2012, other than those related to the tax legislation as passed by the 2010 Session of the Legislature.

**) FY 2012 does not include a transfer of \$148.3 million from the State Highway Fund to the State General Fund.

***) FY 2012 expenditures include replacing federal economic stimulus funds: KPERS employer contribution increase; human services caseloads; special education increase and state employee uniformed salary adjustment.

****) Federal economic stimulus funds include the August federal action regarding the extension of the Medicaid match rate and the Education Jobs Fund (\$87.2 million). The approved Budget assumed \$131 million for the extension of the Medicaid match rate, while the federal legislation ultimately provided only \$65 million.

NOTE: SGR Policy Report No. 11-12 Approved by the Legislature - Adjusted for Receipts and New Federal Stimulus Funds - September 3, 2010

State General Fund Receipts FY 2009 and FY 2010

(In Thousands)

Fiscal Year 2009	\$	5,588,974
Fiscal Year 2010	\$	5,192,449
Difference	\$	(396,525)

State General Fund Receipts

(Taxes Only—July and August)

(In Thousands)

Fiscal Year 2011

Estimate \$ 755,175

Fiscal Year 2011

Actual \$ 791,192

Amount Above

Estimate \$ 36,017

FY 2010 Expenditures moved to
FY 2011 (2010-11 School Year)
USD will count payments in FY 2010

General State Aid	\$ 225,249,985
Supplemental General State Aid	66,773,733
KPERS	53,047,760
SUBTOTAL	\$ 345,071,478
KPERS	
Paid July 7 and State	\$ 55,101,438
Charged to FY 2010	
TOTAL	\$ 400,172,916

STATE AID REDUCTIONS/UNDERFUNDING 2009-10 School Year

State Aid	Reduction
General State Aid	
BSAPP \$4,400 to \$4,012	\$ 241,288,471
Supplemental General State Aid	37,816,280
Capital Outlay	25,600,000
Professional Development	1,750,000
Teacher Mentoring	200,000
Discretionary Grants	85,000
National Board Certification	240,000
Special Education	4,000,000
TOTAL	\$ 310,979,751

Legislative Division of Post Audit

Elementary and Secondary Education in Kansas:
Estimating the Costs of K-12 Education Using Two
Approaches – January 2006

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

Special Education Maintenance of Effort

FY 2009 State Special Education State Aid	\$ 427,718,409
FY 2011 Appropriation	\$ 367,540,630
State Aid Reduction	\$ 60,177,779
ARRA Revenue	\$ 55,684,000

Special Education Excess Cost

FY 2011 – 92% of Excess Cost	\$ 448,225,000
FY 2011 – Appropriation	\$ 367,540,630
Plus ARRA Funds*	<u>55,684,000</u>
Total FY 2011	\$ 423,224,630
Increase Required	\$ 25,000,370

*Loss of AARA Funding in FY 2012 would require an increased appropriation of \$ 80,684,370

2010-11 Additional Revenue to Fund Current Law

Program	Estimated 2010-11	Current Law Requirement	Cost to Fund Current Law
Base State Aid Per Pupil	\$ 4,012	\$ 4,492	\$ 314,400,000
Supplemental General State Aid	Prorated at 92%	100%	37,787,001
Special Education	86.2% of Excess Cost	92% of Excess Cost	25,000,000
Mentor Teacher	\$ 1,450,000	100%	2,050,000
Professional Development	0	100%	8,500,000
School Lunch	4¢ per meal	6¢ per meal	1,043,647
Capital Outlay State Aid	0	Fund Law	26,000,000
National Board Certification	\$ 55,000 <i>(Scholarships Only)</i>	Fund Law	350,000
TOTAL			\$ 415,130,648

Federal Jobs Bill Revenue	\$	92,000,000
Less Est. Medicaid		43,000,000
Less Drop in Est. Revenue from 20 Mills		29,800,000
Less Est. At-Risk (Due to increased free lunch applications)		13,600,000
Less Est. Enrollment Increase (1,350 Students)		5,600,000
NET INCREASE	\$	0