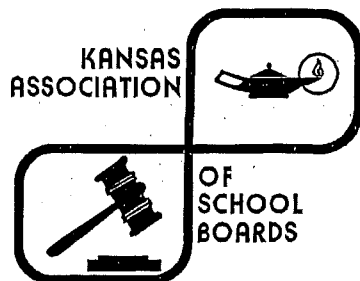


# State vs. Local Funding: Us vs. Them?

by

**Mark Tallman**  
**Assistant Executive**  
**Director/Advocacy**

**KASB**



September 29, 2011

**PLAINTIFFS'**  
**EX. 31**

989800

SIG-KASB000261

# School Finance Seminar September 29, 2011

Mark Tallman  
Associate Executive Director for  
Advocacy

---

---

---

---

---

---

---

---

## State tax burden and education Funding

---

---

---

---

---

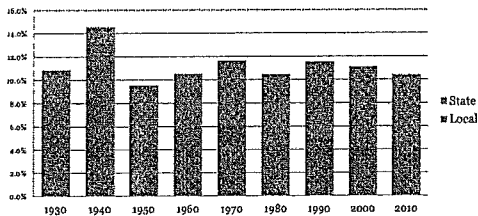
---

---

---

Cost of Kansas Government has been fairly stable for decades. Total state and local tax burden has been dropping since 1990. Funding services has been shifting from local to state until last decade.

Kansas State and Local Taxes as Percent of Personal Income



---

---

---

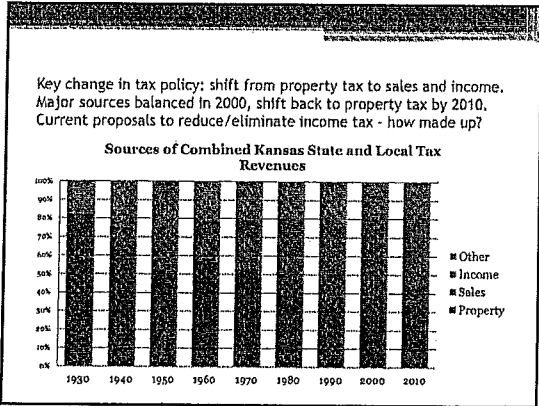
---

---

---

---

---




---

---

---

---

---

---

---

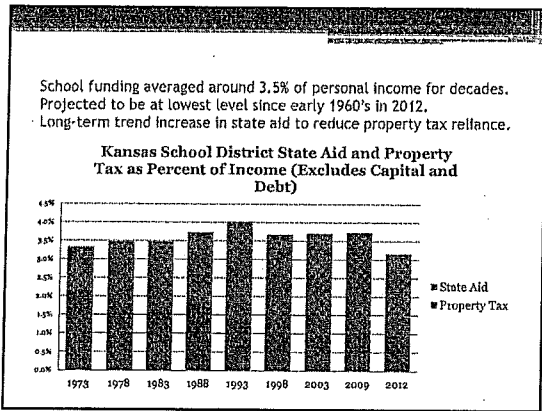
---

---

---

---

---




---

---

---

---

---

---

---

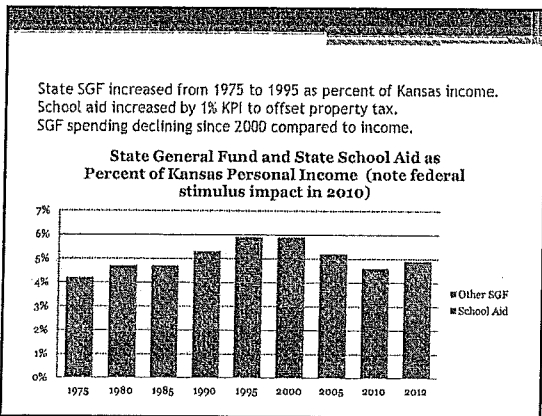
---

---

---

---

---




---

---

---

---

---

---

---

---

---

---

---

---

## EDUCATION FUNDING AND THE STATE BUDGET

---

---

---

---

---

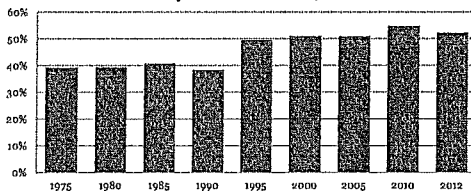
---

---

---

K-12 aid about 50% of state general fund spending since 1992 act. Prior to that, state aid was about 40% of SGF since the 1970's.

**School District State Aid as Percent of State General Fund Expenditures (2010 impacted by stimulus funds)**



---

---

---

---

---

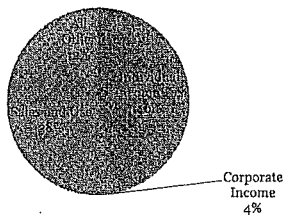
---

---

---

Exactly half of SGF receipts in FY 11 came from income taxes. About 90% of income tax receipts were from individuals. Estate/inheritance and corporate franchise taxes were eliminated.

**State General Fund Receipts, FY 2011**



---

---

---

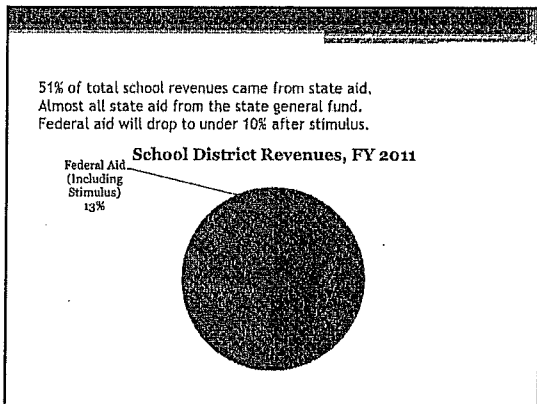
---

---

---

---

---



---

---

---

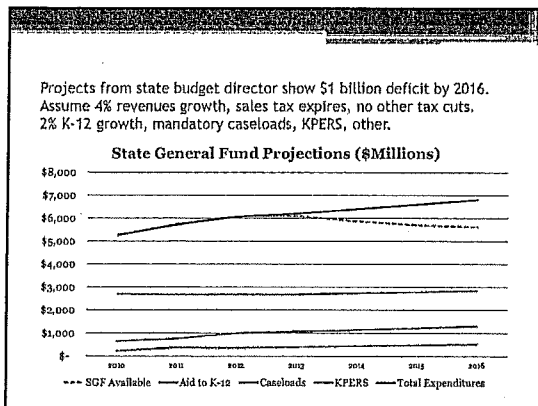
---

---

---

---

---



---

---

---

---

---

---

---

---

# CHANGING COMPONENTS OF SCHOOL FINANCE

---

---

---

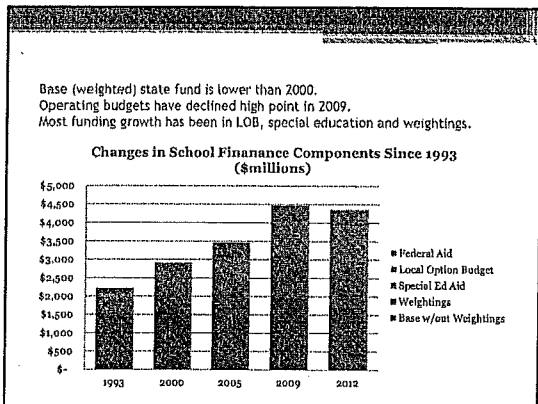
---

---

---

---

---




---

---

---

---

---

---

---

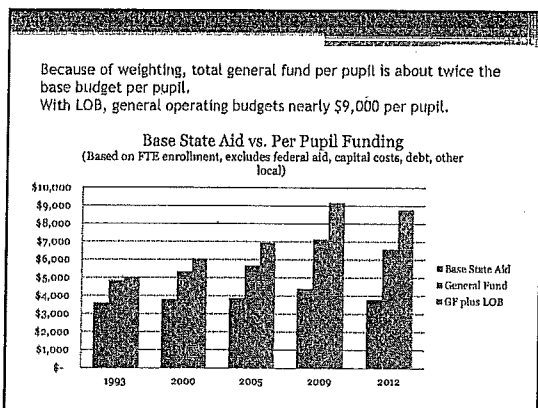
---

---

---

---

---




---

---

---

---

---

---

---

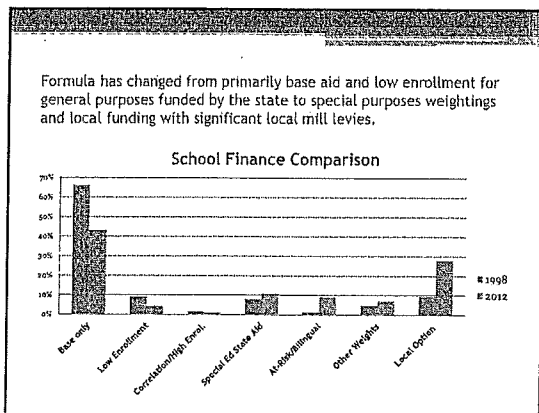
---

---

---

---

---




---

---

---

---

---

---

---

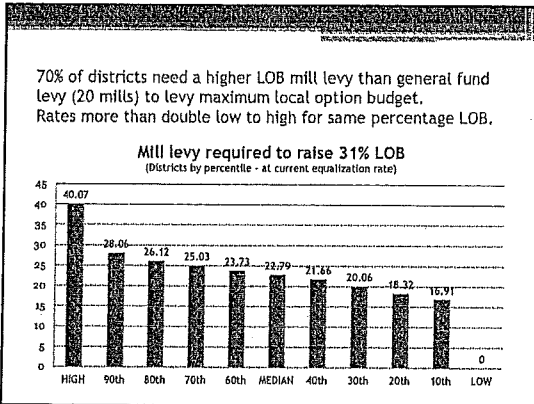
---

---

---

---

---




---

---

---

---

---

---

---

---

---

---

---

---

## Changing Student Population

---

---

---

---

---

---

---

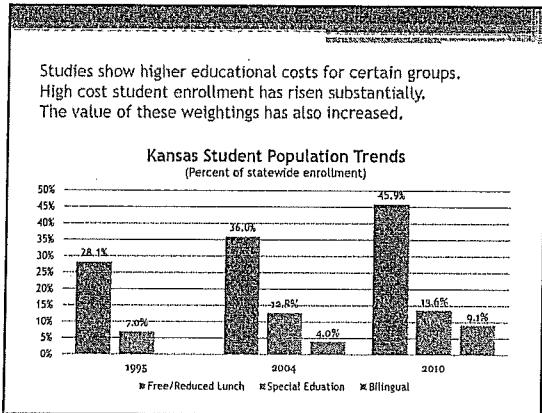
---

---

---

---

---




---

---

---

---

---

---

---

---

---

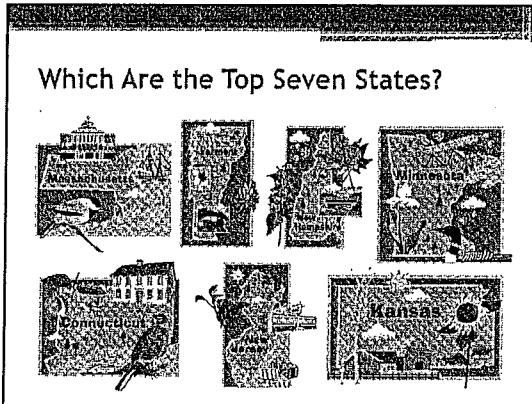
---

---

---







---

---

---

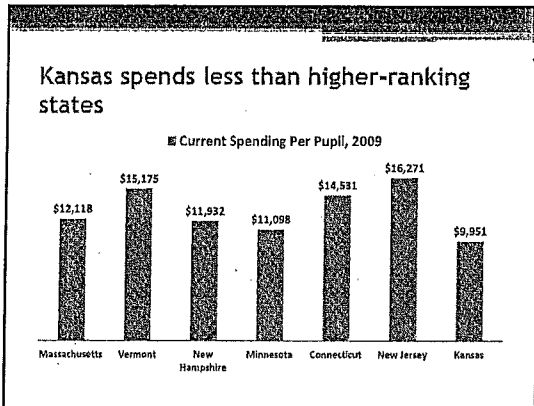
---

---

---

---

---



---

---

---

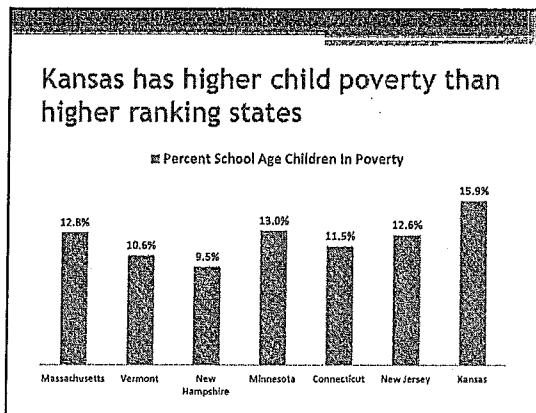
---

---

---

---

---



---

---

---

---

---

---

---

---

### Key Findings

Unlike many, Kansas in Top 20 on all measures.

Examples: Florida and Texas rank 17<sup>th</sup> and 24<sup>th</sup> for mastering basics before high school, but bottom 10 in graduation and bottom 5 for college preparation. Pennsylvania 11<sup>th</sup> in high school completion but 35<sup>th</sup> in preparation for college.

Kansas ranks highest on national tests.

Mastering basics before high school: 9<sup>th</sup> for all students and 5<sup>th</sup> for low income; shows positive impact of at-risk programs.

College preparation: 5<sup>th</sup> highest among ACT states, sixth best for high ACT and SAT scores per 1,000 graduates.

Index recognizes states for percent of graduates taking either ACT or SAT; scores tend to decline the more students tested. (Six states tested all graduates on ACT.)

---

---

---

---

---

---

---

---

---

---

### Key Findings

Kansas lowest in high school completion: 15<sup>th</sup>

Most states ranking higher have less poverty, fewer minorities or spent more money.

Two measures of students who graduate in four years or less; third measure adds students who graduate or get GED by age 24. **Kansas does better in completion by young adults; impact of "drop-out recovery" programs.** Missouri does better in 4-year graduation, much lower in graduates by age 24.

High attainment high school through college.

Kansas ranks 13<sup>th</sup> in adult attainment (16<sup>th</sup> for high school, 14<sup>th</sup> for bachelor's degree, 16<sup>th</sup> for advanced degree). In region, only Colorado and Minnesota are higher.

Most states either high in high school and low in college completion, or the reverse. Other regional states better in high school completion, but much worse in college degrees.

Kansas has less of a "brain drain," keeps or replaces college graduates.

---

---

---

---

---

---

---

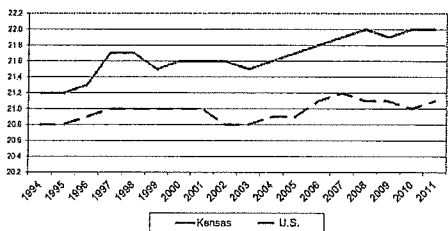
---

---

---

### Reason for celebration

Kansas and U.S. Average ACT Scores 1994-2011



---

---

---

---

---

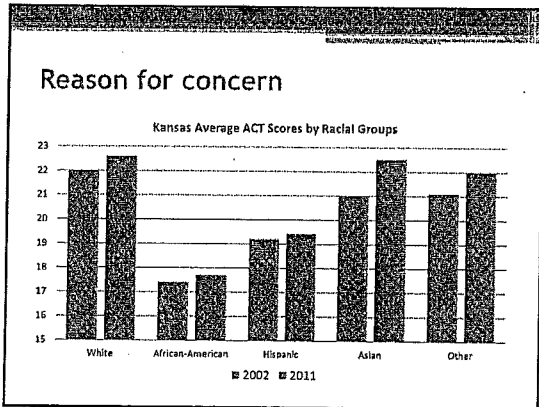
---

---

---

---

---




---

---

---

---

---

---

---

---

---

---

Why does education matter?

---

---

---

---

---

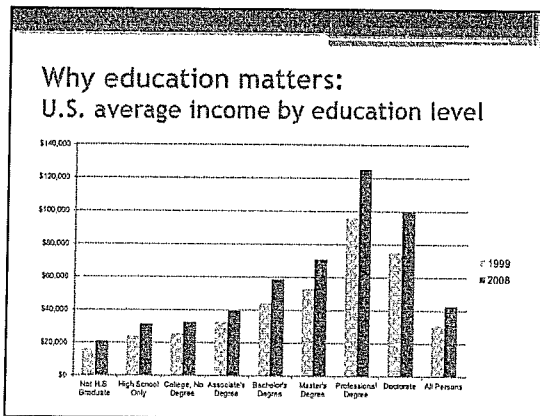
---

---

---

---

---




---

---

---

---

---

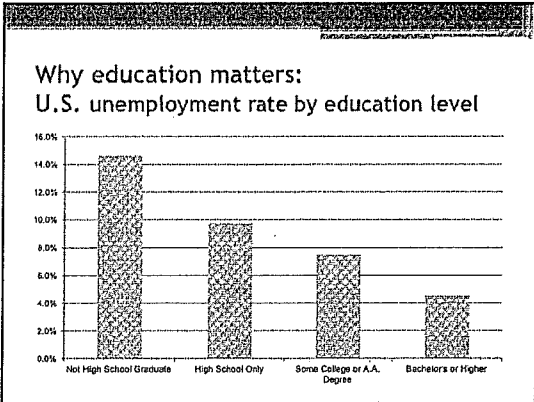
---

---

---

---

---




---

---

---

---

---

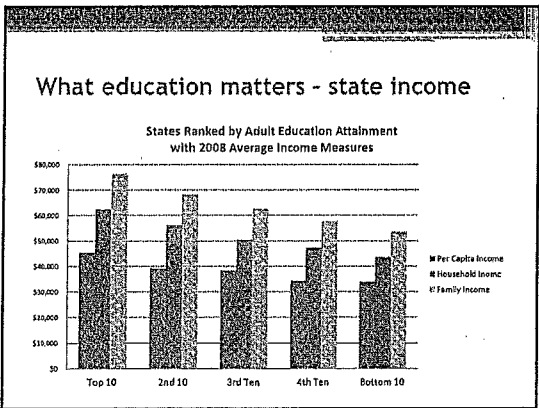
---

---

---

---

---




---

---

---

---

---

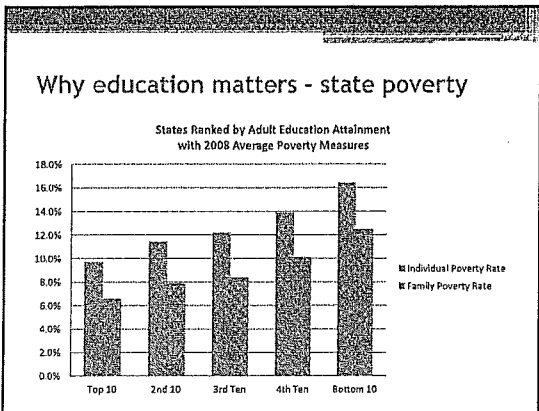
---

---

---

---

---




---

---

---

---

---

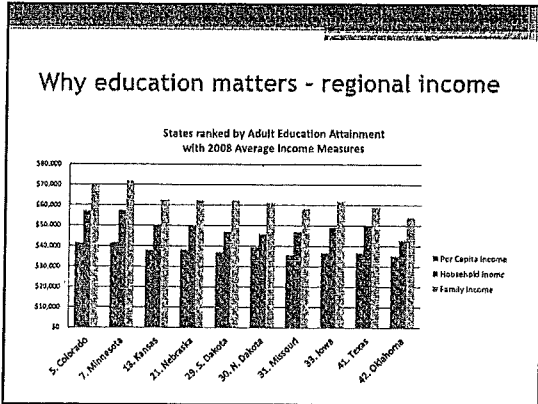
---

---

---

---

---




---

---

---

---

---

---

---

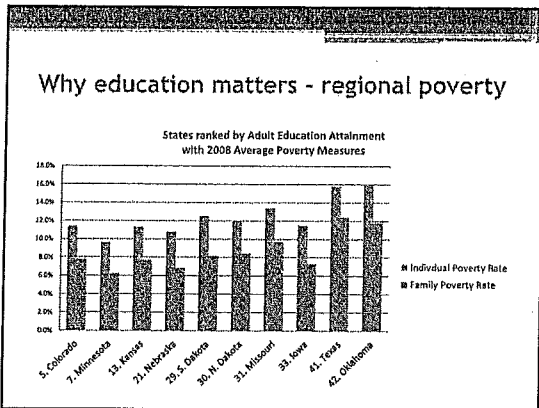
---

---

---

---

---




---

---

---

---

---

---

---

---

---

---

---

---

## KEY issues for school finance

---

---

---

---

---

---

---

---

---

---

---

---

### Key Choices at State Level

- Changing formula with no more money means “winner and losers.”
- More local funding with less state aid means more disparity in local tax burden, programs and services.
- Cutting state revenues means cutting education, cutting other programs, or shifting to local revenue sources.
- Should educational attainment be determined by wealth of location or special needs?

---

---

---

---

---

---

---

---

### Options for Governor, Legislature

- Reduce low-enrollment weighting to encourage or force consolidation of districts or programs.
- Reduce at-risk funding to students currently “non-proficient” or other criteria than free lunch.
- Reduce/eliminate bond and interest aid.
- Change weightings to block grants, sever link to base.
- Raise or eliminate local option revenue limits, add local sales tax options.
- Change special education distribution.
- Require districts to share in KPERs costs.

---

---

---

---

---

---

---

---

Questions?

---

---

---

---

---

---

---

---