

2010
COMMISSION
SEPTEMBER 24, 2010

Dale M. Dennis, Deputy
Commissioner of Education

PLAINTIFFS'
EX. 388

KSDE139803

Form 150

2010-11 Est. Legal Max General Fund Budget

1. Est. 9-20-2010 FTE Enrollment (Exclude 4-year-old at-risk FTE)	1,308.1
2. Est. 9-20-2010 4-year-old At-Risk FTE Enrollment (counted as .5 FTE)	14.0
3. Total Est. 9-20-2010 FTE Enrollment (Line 1 + Line 2)	1,322.1
4. Est. Low Enrollment and High Enrollment for Districts. 9-20-10 FTE Enrollment (Line 3) $1,322.1 \times 0.136929$ factor	181.0
5. Est. Weighted Bilingual Education Enrollment 9-20-10 Bilingual FTE Enrollment $0 + 0.0000 \times 0.395$	0.0
6. Est. Weighted Vocational Education Enrollment 9-20-10 VE FTE Enrollment $70.0 + 0.0000 \times 0.5$	35.0
7. Est. Weighted At-Risk Student Enrollment 9-20-10 Eligible Students That Qualify for Free Lunches $630.0 + 0 \times 0.456$	287.3
8. Est. High At-Risk Weighting (Can only qualify for one of the following) District's Calculated Free Lunch Percentage – 47.65% District's Calculated Students Per Square Mile Line 3 \div square miles in district $1,322.5 \div 140.5 = 9.4$ a. No. of Students Eligible for Free Lunches (at least 50%) b. No. of Students Eligible for Free Lunches at 35.1% & 212.5 Students Per Sq. Mile c. No. of Students Eligible for Free Lunches (40-50%)	0.0 0.0 37.8

Form 150

2010-11 Est. Legal Max General Fund Budget

9. Est. Non-Proficient Student Weighting No. of Non-Proficient Students 83 x 0.0465	3.9
10. Est. Weighted FTE for New Facilities 9-20-10 Enrollment Attending New Facility $0.0 + 0.0 \times .25$	0.0
11. Est. Weighted FTE for Transportation	71.9
12. Est. Weighted FTE Virtual Enrollment	15.8
13. Est. Ancillary Facilities Weighting Amount Approved by State Board of Tax Appeals $0 \div \$4,012$	0.0
14. Est. Special Education Weighting Amount of Special Education Funding $\$1,550,000 \div \$4,012$	386.3
15. Est. Declining Enrollment Weighting Amount Approved by State Board of Tax Appeals $0 \div \$4,012$	0.0
16. Est. FHSU Math & Science Academy FTE Enrollment	0.0
17. Est. 2010-11 Operating Budget $2,341.1 \times \$4,012$ (Lines 3 through 16)	\$ 9,392,493
18. Est. Cost of Living Weighting \$0 (max. allowed for this district) 0 (amount district will use up to max.) $\div \$4,012$	0.0
19. Est. 2010-11 Operating Budget (Include Cost of Living and FHSU) $2,341.1 \times \\$4,012$	\$ 9,392,493

Form 148

2010-11 Est. General Fund State Aid

1. 2010-11 General Fund Budget (Form 150, Line 19)	\$ 9,392,493
2. Estimated Local Effort	
a. 2010-11 Tax Levy 1-1-2011 to 6-30-2011 (Form 110, Table 1, Line 5)	\$ 790,091
b. 2010-11 Tax in Process (Form 110, Line 11) (General Fund only)	25,428
c. 2010-11 Delinquent Tax (Form 110, Line 12, General Fund) x .667	8,492
d. 2010-11 Mineral Production Tax (General Fund)	0
e. 2010-11 In Lieu of Tax Payments on IRB's (General Fund)	0
f. 2010-11 Federal Impact Aid PL 382 (formerly PL 874)*	0
g. 2010-11 Pupil Tuition (General Fund only)	0
h. 6-30-2010 Unencumbered Cash Balance (General Fund)	5,049
i. 2010-11 Special Education State Aid	1,550,000
j. 2010-11 ARRA Stabilization Funds	160,953
k. 2010-11 State Aid for Machinery & Equipment Valuation Loss (General Fund)	0
3. TOTAL	\$ 2,540,013
4. 2010-11 Est. General State Aid (Line 1 – Line 3; if negative, insert 0)	\$ 6,852,480

FY 2011 House Sub. for SB 572 - As Approved by the Legislature, INCLUDING Tax Increases
 Adjusted for April State General Fund Consensus Revenue Estimate and April Actual Tax Collections

STATUS OF THE STATE GENERAL FUND
FY 2010-FY 2012
 (In Millions)

	Approved FY 2010	Approved FY 2011	Estimated FY 2012
Beginning Balance	\$ 49.7	\$ (140.1)	\$ 1.4
Receipts (April, 2010 Consensus Revenue Estimate)	5,254.3	5,094.7	5,640.0 *
Adjustment for April Actual Tax Only Receipts	(65.3)	-	
Governor's Other Revenue Adjustments (adjust transfers; continue KDOT transfer, etc.)	-	274.6	-
Additional Revenue from Senate Substitute for House Bill No. 2360	-	303.6	352.1
Revenue Adjustments in Appropriations Bill (House Substitute for Senate Bill No. 572)	38.1	89.9	-
Total Available Revenue	<u>\$ 5,276.8</u>	<u>\$ 5,622.7</u>	<u>\$ 5,993.5</u>
Expenditures **	6,144.3	6,088.9	6,210.3
Federal Economic Stimulus Legislation	<u>(530.7)</u>	<u>(257.9)</u>	-
Subtotal - Expenditures	5,613.6	5,831.0	6,210.3
Less Governor's Allotments and Net Other Adjustments	(196.7)	1.3	-
Expenditure Adjustments (House Substitute for Senate Bill No. 572)	-	(211.0)	-
Total Adjusted Expenditures	<u>5,416.9</u>	<u>5,621.3</u>	<u>6,210.3</u>
Ending Balance	<u>\$ (140.1)</u>	<u>\$ 1.4</u>	<u>\$ (216.8)</u>
Ending Balance as a Percentage of Expenditures	-2.6%	0.0%	-3.5%
Adjusted Receipts in Excess of Unadjusted Expenditures	\$ (140.1)	\$ 1.4	\$ (216.8)

*) Assumes 4.0 percent growth in tax receipts.

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

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 Charged to FY 2010	\$ 55,101,438
TOTAL	\$ 400,172,916

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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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.”

GENERAL/SPECIAL EDUCATION FUNDS 2010-2011 SCHOOL YEAR

GENERAL FUND

General State Aid:

State General Fund	\$	1,961,339,680
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ARRA – State Fiscal Stabilization Funds (= \$80.52 on the BSAPP)		52,751,000
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TOTAL	\$	2,014,090,680
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BSAPP Amount	\$	4,012
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SPECIAL EDUCATION

Special Education Services Aid:

State General Fund	\$	367,540,630
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ARRA – Federal VIB		55,748,000
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TOTAL	\$	423,288,630
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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

Rankings and Estimates 2008

Table I. Average Salaries (\$) of Public School Teachers, 2007-08

Rank	State	2007-08
1	CALIFORNIA	64,424 *
2	NEW YORK	62,332
3	CONNECTICUT	61,976
4	NEW JERSEY	61,277 *
5	DISTRICT OF COLUMBIA	60,628 *
6	ILLINOIS	60,474
7	MASSACHUSETTS	60,471
8	MARYLAND	60,069 *
9	RHODE ISLAND	57,188 *
10	ALASKA	56,758
11	MICHIGAN	56,096 *
12	DELAWARE	55,994
13	PENNSYLVANIA	55,833 *
14	OHIO	53,410
15	HAWAII	53,400
16	WYOMING	53,074
	UNITED STATES	52,308 *
17	OREGON	51,811
18	GEORGIA	51,560
19	MINNESOTA	50,582 *
20	WASHINGTON	49,884
21	WISCONSIN	49,051
22	INDIANA	48,508
23	NEVADA	47,710
24	NEW HAMPSHIRE	47,609 *
25	NORTH CAROLINA	47,354
26	COLORADO	47,248
27	KENTUCKY	47,207
28	LOUISIANA	46,964
29	FLORIDA	46,930
30	VIRGINIA	46,796 *
31	IOWA	46,664
32	ALABAMA	46,604
33	VERMONT	46,593
34	TEXAS	46,179
35	ARKANSAS	45,773 *
36	ARIZONA	45,772
37	SOUTH CAROLINA	45,758
38	KANSAS	45,136
39	NEW MEXICO	45,112
40	TENNESSEE	45,030 *
41	IDAHO	44,099
42	OKLAHOMA	43,551
43	MAINE	43,397
44	MISSOURI	43,206
45	NEBRASKA	42,885
46	MONTANA	42,874
47	WEST VIRGINIA	42,529
48	MISSISSIPPI	42,403 *
49	UTAH	41,615 *
50	NORTH DAKOTA	40,279
51	SOUTH DAKOTA	36,674

NEA Research, Estimates Database (2008).

From Rankings & Estimates 2008-2009, Rankings, Table C-II.

15 HAWAII 53,400

16 WYOMING 53,074

UNITED STATES 52,308 *

17 OREGON 51,811

36 ARIZONA 45,772

37 SOUTH CAROLINA 45,758

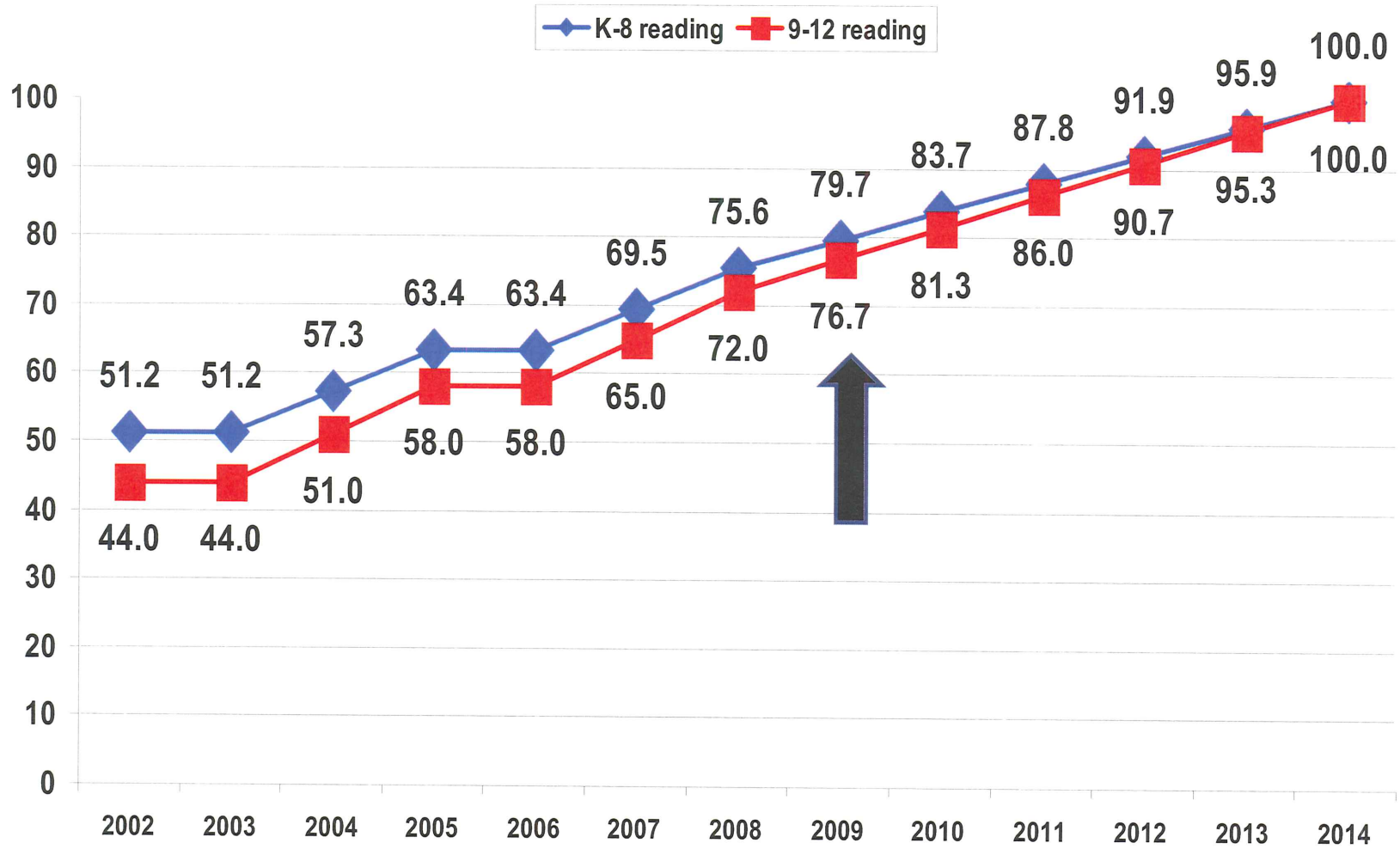
38 KANSAS 45,136

39 NEW MEXICO 45,112

40 TENNESSEE 45,030 *

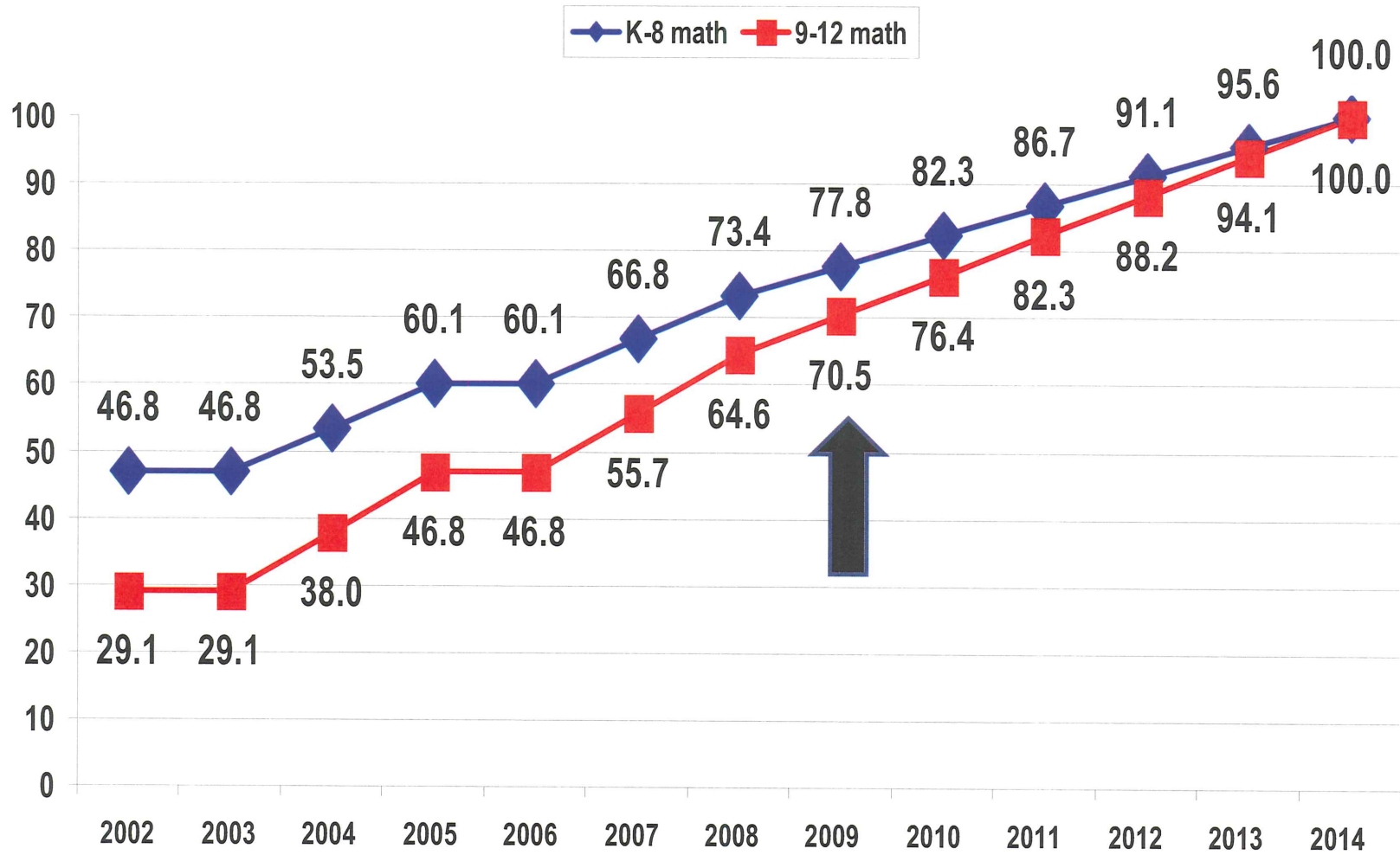
41 IDAHO 44,099

AYP Starting Point: Reading



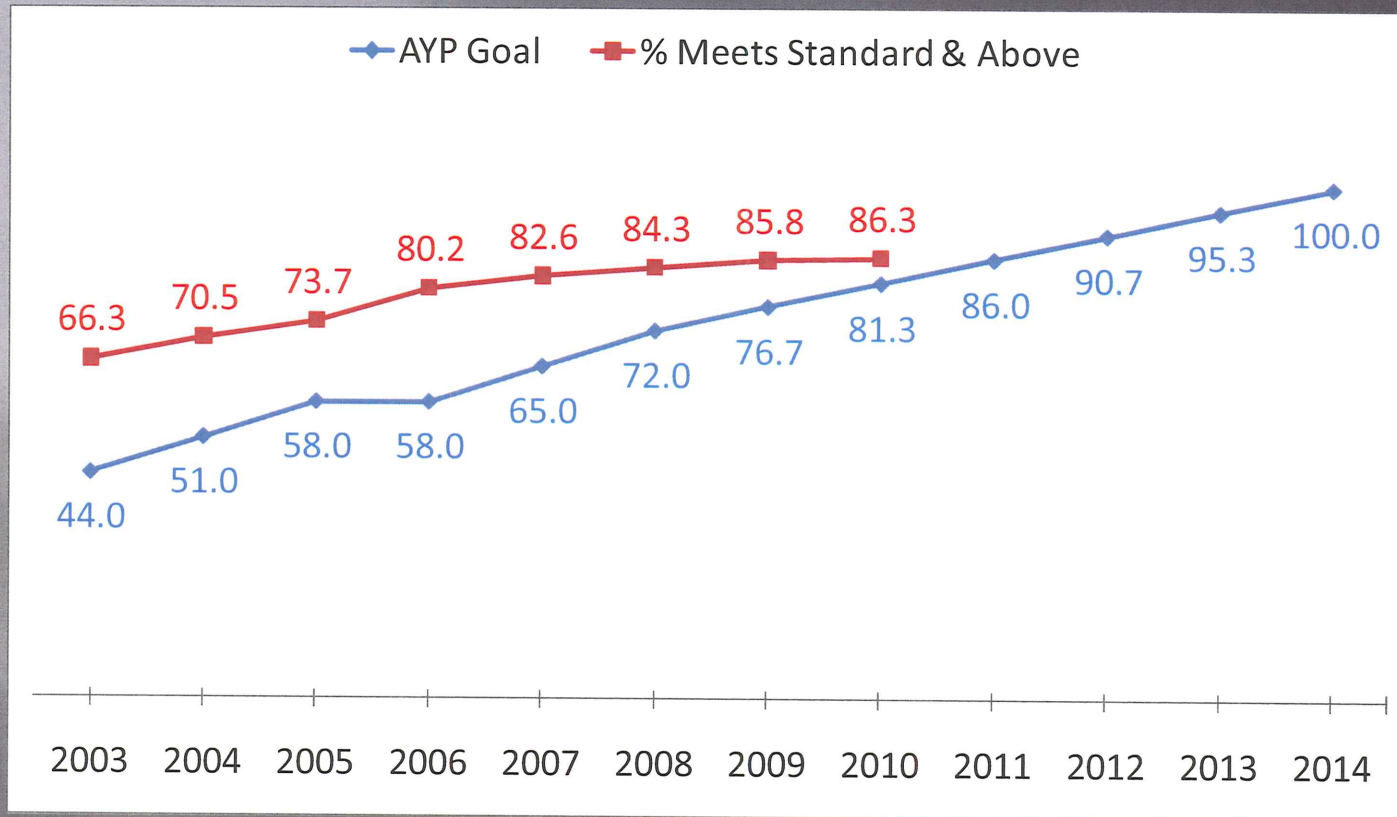
5/10/2012

AYP Starting Point: Mathematics

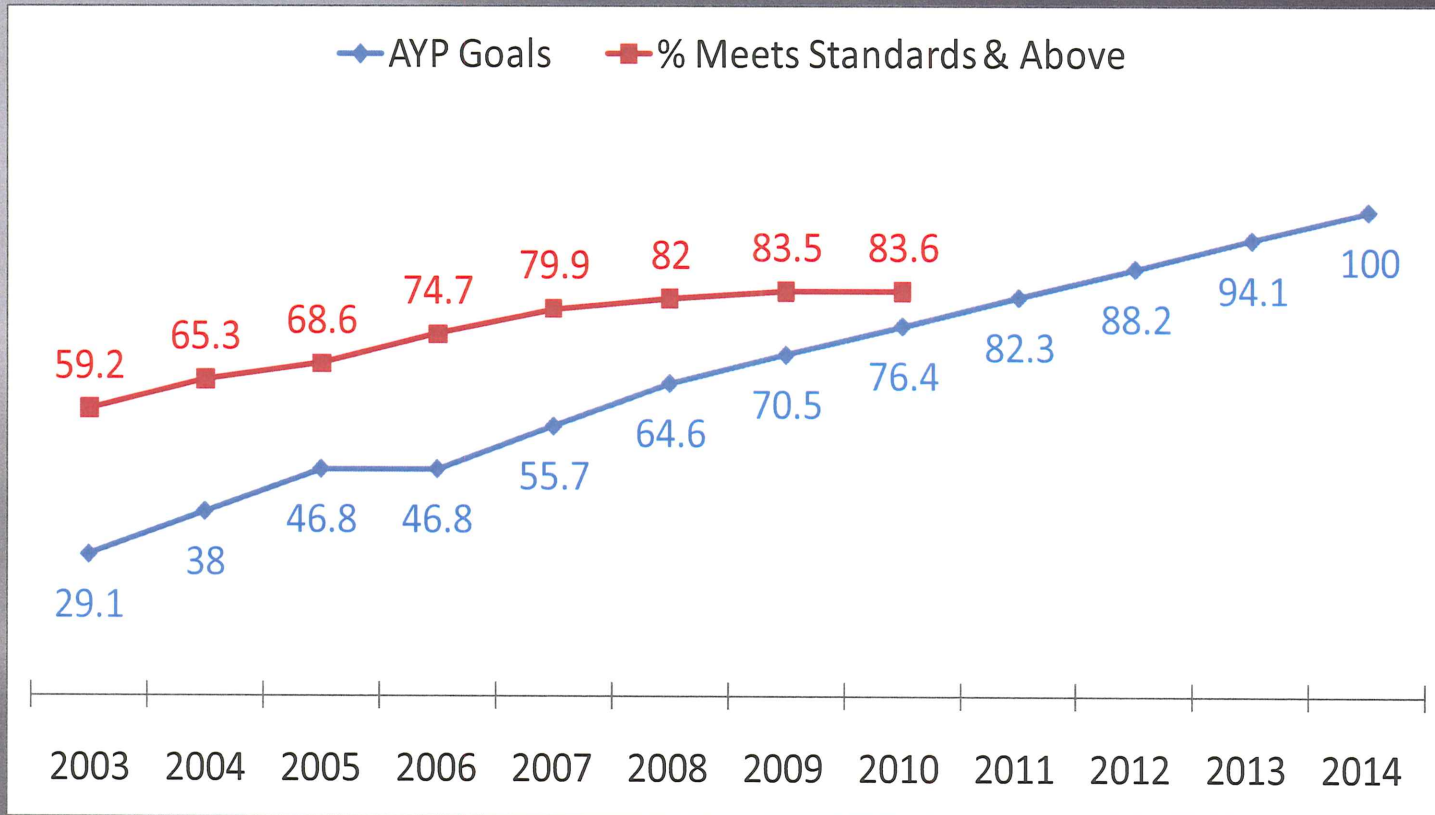


5/10/2012

Kansas AYP Reading Trends All Students - 2003-2010



Kansas AYP Math Trends All Students 2003-2010



Other Areas of Concern Affecting Schools

ASSESSED VALUATIONS

The Consensus Estimating Group met in November of 2009 and projected the total assessed valuation for the 2010-11 school year. The estimate for the general fund assessed valuation was increased 2.38 percent or approximately \$670 million. Current estimates indicate that the assessed valuations will decline by at least the same percentage. If this estimate is correct, the \$670 million estimated increase combined with a \$750 million decrease results in a difference of at least \$1.420 billion. This results in a funding requirement of at least \$28.4 million.

ASSESSED VALUATIONS FALL 2010

Consensus Estimate Increase	\$ 670,000,000
Estimated Actual Decrease	\$ (750,000,000)
Difference	\$ 1,420,000,000
Mill Rate Requirements	20 Mills
Loss of General Fund Revenue	\$ 28,400,000

Other Areas of Concern Affecting Schools

FREE LUNCH APPLICATIONS

Based upon our review of numerous 2010-11 school district budgets, we also believe there will be a slight increase in the number of free lunch applications. The job market has not rebounded as much as originally estimated. It is too early in the fiscal year to determine the percentage increase but we are fairly certain that the increased applications will affect state aid to schools. For example, a five percent increase in free lunch applications would result in additional state aid of approximately \$15.6 million.

FREE LUNCH APPLICATIONS

2009-10 Free Lunch Applications	171,076
Potential Percentage Increase	5%
	8,553.8
Weighting Ratio	.456
Weighted Enrollment	3,900.5
Base State Aid Per Pupil	\$ 4,012
Estimated State Cost	\$ 15,648,938

Projected Enrollment State Aid Increase

2009-10 FTE Enrollment	453,362.3
Projected .5 Percent Enrollment Increase	2,266.8
Base State Aid Per Pupil	\$ 4,012
Potential State Aid Increase	\$ 9,094,402

Grade

Average Scores for Kansas and Nation

2007		2009	
Kansas	Nation	Kansas	Nation
225	220	224	220

- Lower than those in 6 states
- Higher than those in 23 states
- Not significantly different from 22 states

Grade

Average Scores for Kansas and Nation

2007		2009	
Kansas	Nation	Kansas	Nation
267	261	267	262

- Lower than those in 9 states
- Higher than those in 20 states
- Not significantly different from 22 states

NAEP – Math – 4th Grade

Average Scores for Kansas and Nation

2007		2009	
Kansas	Nation	Kansas	Nation
248	239	245	239

- Lower than those in 4 states
- Higher than those in 33 states
- Not significantly different from 14 states

NAEP – Math – 8th Grade

Average Scores for Kansas and Nation

2007		2009	
Kansas	Nation	Kansas	Nation
290	280	289	282

- Lower than those in 7 states
- Higher than those in 30 states
- Not significantly different from 14 states