



Written and Oral Testimony HB2270: School Finance Formula

To: House K-12 Education Budget Committee Members

From: Dr. Cory Gibson, Superintendent of Valley Center School District, USD No. 262
President of the Kansas School Superintendents Association (KSSA)

Date: February 13, 2016

Positionality: Proponent

Chairman Campbell, Vice Chairman Huebert, and members of the K-12 Education Budget Committee,

In order for us to educate and prepare the workforce of tomorrow, we must have a stable, equitable, and adequate funding mechanism in place to meet the diverse needs of Kansas public schools. Although not perfect, HB 2270, as introduced, can serve as a vehicle to accomplish this important mission. The plan maintains many of the attributes found in the previous formula, which when funded adequately, met the needs of Kansas students. The bill also provides additional enhancements such as;

- restoration of funds for use in classrooms,
- an equitable funding mechanism for bond and interest,
- funding for all-day Kindergarten,
- additional funding for bus riders below 2.5 miles, and
- funding for our most at-risk students, those students with disabilities.

It is for these reasons that I, alongside the vast majority of my colleagues, support most components found in HB2270.

The block grant froze classroom and operational base funding at the same level as in 20021, which compared to 2009, was \$600 less per full time equivalent (FTE) student. Valley Center School District is a growing district with approximately 2,900 students. The district's growth during the block grant, has resulted in a funding loss equivalent to \$82.54 per FTE; now placing our base funding at \$3,754 per student. As a comparison, base funding was set at \$4,492 in 2009. Factoring in the Consumer Price Index, \$4,492 would be the equivalent of \$5,025 in today's dollars. This has resulted in a challenge of both adequacy and equity in funding that has negatively affected our students.

Due to our demographics and lower assessed valuation per pupil, our expenditures are near the bottom in the state. Counting every dollar that passed through our district last school year, from gate receipts to state funding, only six of 286 school districts in the state spend less per pupil when you remove capital expenses (source: expenditure per pupil report – KSDE). An adequate and equitable formula is critical to our future success.

Dr. Cory L. Gibson

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I believe HB 2270 makes great strides in restoring a formula and funding that benefits Kansas kids.

Areas of particular interest I believe greatly enhances HB 2270 for the benefit of our students include:

- **Bond and Interest:** HB 2270 restores a more equitable distribution of state aide. Due to a lower assessed valuation per pupil than most districts, the state covered 54% of payments on bond issues passed prior to July 1, 2016. This level of funding decreased to 32% with the block grant. When attempting to have equivalent facilities to counterparts in the state with greater property wealth, this change places an increased burden on local taxpayers in districts like ours.
- **Funding for All Day K:** Like nearly every district in the state, we provide all day kindergarten. Research is clear that earlier intervention is the most cost effective method to help students achieve in life. The current costs for classroom staffing (not including counseling, interventionists, etc.) in our All Day Kindergarten program is \$608,313. Under the previous formula, when kindergarten students were counted as .5 FTE, (BSAPP \$3,852) our financial support from the state for kindergarten was \$356,310.
- **Transportation:** Of students currently transported in Valley Center, 36% live within 2.5 miles of their school, which is below the previous threshold for funding. We provide this transportation due to safety concerns that include crossing train tracks, lack of sidewalks, and busy roadways.
- **Special Education:** Statutorily, the state must fund 92% of excess costs for students with disabilities. However, the current funding for excess costs is less than 80%. Districts over the past several years have become increasingly more responsible for funding these programs. Therefore, districts must reallocate funds away from general classroom expenses and transfer them to cover the expenses no longer provided by the state. Below is an illustration of general fund dollars transferred to cover excess special education costs over the past few years in Valley Center.

<u>School Year</u>	<u>Special Education Costs Covered From General Fund/LOB</u>
2011-2012	\$925,420
2012-2013	\$1,163,609
2013-2014	\$1,280,915
2014-2015	\$1,419,415
2015-2016	\$1,456,653
2016-2017	\$1,492,012

For refinement: at-risk considerations, fully funding equity in supplemental general, capital outlay, and bond and interest.

Respectfully Submitted,



OUR VISION:

To Be a Premier School District Known for Excellence in Education, Innovative Instruction, Outstanding Programs, and Dedication to Students.