

January 21, 2021

The Honorable Kristey Williams, Chairperson
House Committee on K-12 Education Budget
Statehouse, Room 286A-N
Topeka, Kansas 66612

Dear Representative Williams:

SUBJECT: Fiscal Note for HB 2067 by House Committee on K-12 Education Budget

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2067 is respectfully submitted to your committee.

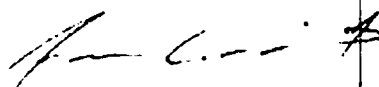
Under current law, the board of education of each school district is required to assess the educational needs of each attendance center in the district. This information is then used to prepare the budget of the school district. HB 2067 would require the school district to allocate sufficient funding in a manner reasonably calculated so that all students may achieve the educational goals outlined in KSA 72-3218(c), also known as the "Rose Capacities." These capacities require:

1. Sufficient oral and written communication skills to enable students to function in a complex and rapidly changing civilization;
2. Sufficient knowledge of economic, social, and political systems to enable the student to make informed choices;
3. Sufficient understanding of governmental processes to enable the student to understand the issues that affect his or her community, state, and nation;
4. Sufficient self-knowledge and knowledge of his or her mental and physical wellness;
5. Sufficient grounding in the arts to enable each student to appreciate his or her cultural and historical heritage;
6. Sufficient training or preparation for advanced training in either academic or vocational fields so as to enable each child to choose and pursue life work intelligently; and

7. Sufficient levels of academic or vocational skills to enable public school students to compete favorably with their counterparts in surrounding states, in academics or in the job market.

The enactment of HB 2067 would have no fiscal effect, as the bill requires school districts to allocate sufficient funding within its available resources so that all students may achieve the educational capacities listed above.

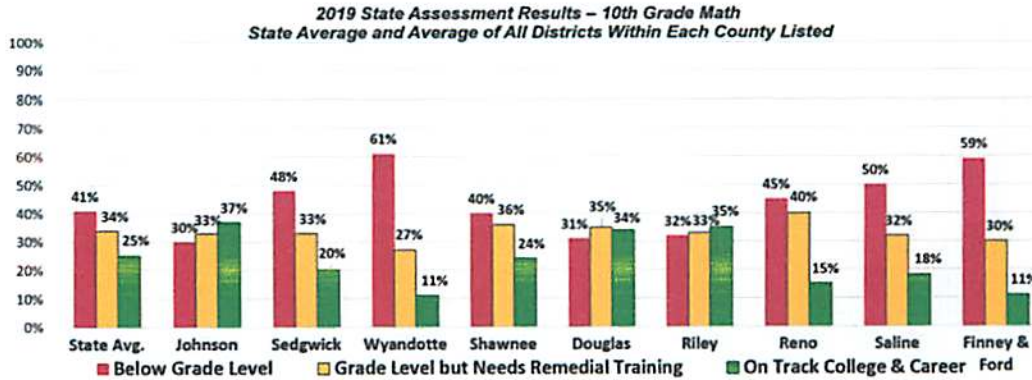
Sincerely,



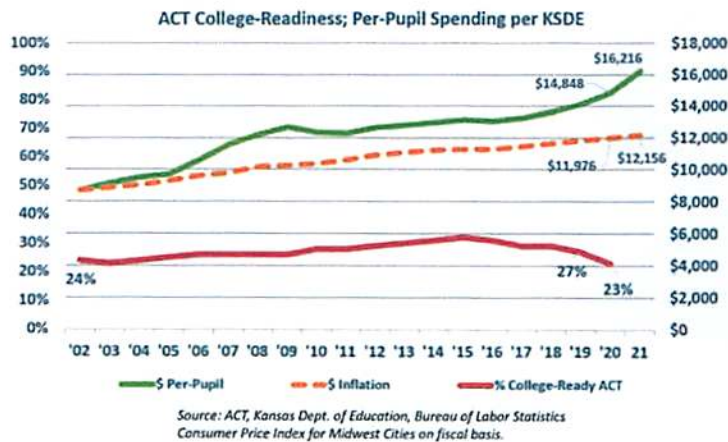
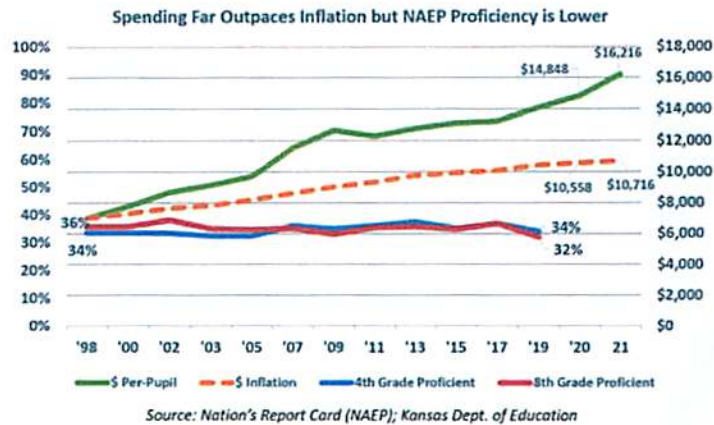
Adam Proffitt
Director of the Budget

cc: Craig Neuenswander, Education

There are more 10th-graders in Kansas below grade level in Math than are on track for college and career, according to the Kansas Dept. of Education.



Spending has grown much faster than inflation, but NAEP Proficiency and ACT College-Readiness Declined



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Guidelines for Activity Funds

FUNDS
FUNCTIONS
SUBFUNCTIONS
OBJECT CODES



KANSAS
ACCOUNTING
HANDBOOK
FOR UNIFIED SCHOOL DISTRICTS

The three groups of code characters can be listed as follows:

FUND Two (2) characters
 FUNCTION Four (4) characters
 OBJECT Three (3) characters

The organization of the groups of code characters can be illustrated as follows:

Fund	Function	Object
XX	XXXX	XXX

A more detailed set of definitions and explanations will follow in this manual.

EXPENDITURES

Function Definitions

The function describes the activity for which a service or material object is acquired. The functions of an LEA are classified into five broad areas:

- Instruction
- Support Services
- Operations of Non-Instructional Services
- Facilities Acquisition and Construction
- Other Outlays

Functions are further broken down into subfunctions, service areas, and areas of responsibility. Each of these levels consists of activities, which have somewhat the same general operational objectives. Furthermore, categories of activities comprising each of these divisions and subdivisions are grouped according to the principle that the activities can be combined, compared, and are related. For example:

Function	2000	Support Services
Subfunction	2300	General Administration
Service area	2310	Board of Education Services
Area of responsibility	2313	Board Treasurer

An effort has been made to group together functions in relation to the magnitude of expenditures typically found in the LEA. This grouping corresponds to the categories most frequently requested in reporting to external authorities especially the federal government. The numbering code for functions are always in even thousands, such as 1000; 2000; 3000; etc.

1000 INSTRUCTION

Instruction includes the activities dealing directly with the interaction between teachers and students. Teaching may be provided for students in a school classroom, in another location such as a home or hospital, and in other learning situations such as those involving co-curricular activities. This includes expenditures formerly reported under 3400 Student Activities. Teaching may also be provided through some other approved medium such as two-way interactive video, television, radio, telephone, and correspondence. Included here are the activities of aides or classroom assistants of any type (clerks, graders, teaching machines, etc.) which assist in the instructional process.

Include only regular and part-time teachers, teacher aides or assistants, homebound teachers, hospital-based teachers, substitute teachers, and teachers on sabbatical leave. If proration of expenditures is not possible for department chairpersons who also teach, include department chairpersons who also teach in instruction. Full-time department chairperson's expenditures should be included only in 2490.

INSTRUCTION COSTS

(1000 Function)

Although all other functions are important, this function acts as the most important part of the education program, the very foundation on which everything else is built. If this function fails to perform at the needed level, the whole educational program is doomed to failure regardless of how well the other functions perform. Instruction not only includes the regular face to face classroom teaching but also such things as lab sessions, independent work, and education field trips.

By far the biggest cost items in this function are teacher salaries and associated costs such as social security, fringe benefits, and workers' compensation. Other major costs in the function are costs in providing substitutes and paraprofessionals who work with the teachers. All of the materials needed in the delivery of the instructional program by the teacher and helpers are another major cost. Costs that do not involve teachers and their helpers (paraprofessionals, substitutes, etc.) and the students' actual learning should not be included in this category.

STUDENT AND INSTRUCTIONAL SUPPORT COSTS

(2100 and 2200 Subfunctions)

Although the Instruction function is the foundation of an educational program, without good support services it cannot operate at the highest levels of performance. The support services function covers all aspects of student and teacher services not related to actual teaching. The main purpose of this function is to help provide better instruction by providing continuing training for staff and services that prepare students to be physically and psychologically ready to learn.

Some of the services provided by this function are mental and physical health, curriculum development, teacher inservice, guidance counseling, program development, media services, technology, library, and all short and long-term programs that benefit general education.

ADMINISTRATION COSTS

(2300 and 2400 Subfunctions)

General and school administration plans and oversees the mission of the school district. In order to improve the education of students, a district must have creative, active leadership to make the best use of the expertise of all positions and plan and implement the most successful programs.

The costs of superintendents, assistants and deputies, legal affairs, and other miscellaneous administrative central office personnel are included in this function. From the school level, principals' and assistants' costs are a part of this function. The last major item included in this function is the school board expenses.

OPERATIONS AND MAINTENANCE COSTS

(2600 Subfunction)

Operation of the physical plant, maintaining grounds, buildings, and equipment related to facilities, school safety and security, operations staff, and care and upkeep of grounds are all included in the Operations and Maintenance function. Utilities are also a part of this function.

When money is tight, there is a tendency by school districts to limit spending in this function. Neglect in the maintenance area could result in unacceptable building conditions that result in high repair costs or replacement later. Poor surroundings can also contribute negatively to student learning. A carefully planned timetable for maintenance can result in reduced costs in the long term and provide facilities that contribute positively to learning.

\$9.4 Billion More to Instruction @ 65% Legislative Goal (millions)					
School Year	Total Instruction	Total Spending	Instruction % of Total	Instruction @ 65%	Shortfall from 65% Goal
2005	\$2,324.0	\$4,289.4	54.2%		
2006	\$2,538.4	\$4,689.3	54.1%	\$3,048.0	\$509.6
2007	\$2,838.1	\$5,142.1	55.2%	\$3,342.3	\$504.3
2008	\$3,012.2	\$5,446.5	55.3%	\$3,540.2	\$528.0
2009	\$3,125.9	\$5,666.7	55.2%	\$3,683.4	\$557.5
2010	\$3,072.4	\$5,589.5	55.0%	\$3,633.2	\$560.8
2011	\$3,058.3	\$5,587.0	54.7%	\$3,631.6	\$573.2
2012	\$3,154.2	\$5,771.0	54.7%	\$3,751.2	\$596.9
2013	\$3,212.4	\$5,852.5	54.9%	\$3,804.1	\$591.7
2014	\$3,293.2	\$5,975.5	55.1%	\$3,884.1	\$590.9
2015	\$3,279.9	\$6,080.0	53.9%	\$3,952.0	\$672.1
2016	\$3,223.8	\$6,028.9	53.5%	\$3,918.8	\$695.0
2017	\$3,269.8	\$6,084.6	53.7%	\$3,955.0	\$685.2
2018	\$3,499.3	\$6,492.2	53.9%	\$4,219.9	\$720.6
2019	\$3,544.6	\$6,711.0	52.8%	\$4,362.2	\$817.6
2020	\$3,794.9	\$7,074.5	53.6%	\$4,598.4	\$803.5
					\$9,406.9
<i>Source: KSDE, Comparative Performance & Fiscal System with Capital allocated to Instruction</i>					