

MINUTES OF THE SENATE COMMITTEE ON EDUCATION.

The meeting was called to order by Chairperson Dwayne Umbarger at 8:40 a.m. on April 10, 2002 in Room 423-S of the Capitol.

All members were present except: Senators Hensley, Jenkins, Emler, Oleen (excused)

Committee staff present: Ben Barrett, Legislative Research
Carolyn Rampey, Legislative Research
Theresa Kiernan, Revisor of Statutes
Judy Steinlicht, Secretary

Conferees appearing before the Committee: Senator Dave Kerr
Mark Tallman, KASB
Bob Vancrum, USD 229, Blue Valley
Craig Grant, KNEA

Others attending: See Attached List

SB657--School district budgeting of certain moneys

Senator Kerr stated that **SB657** was introduced based on recommendations of the Legislative Post Audit on School District Budgets: Determining Ways to Structure the Budget Document to Make it Understandable and Allow for Meaningful Comparisons. Two recommendations were made that required a change in the law. The first is to change the law to allow districts to budget to spend only the amounts they think they will need to spend and to show any ending balances the districts expect to carry forward to the next year. The law now requires them to budget the full amount. Second, the school districts would be required to include the revenues and expenditures associated with all federal entitlement grants and other grants and miscellaneous income in all budget documents they prepare. Senator Kerr believes these changes will make budget documents more useful to administrators, board members, the public and to the legislators. (**Attachment 1**) Senator Kerr also proposed an amendment to **SB657** recommended by Dale Dennis, State Board of Education on page 1, line 26, striking "gifts and miscellaneous income" and inserting "and gifts." (**Attachment 2**)

Mark Tallman, stated that KASB supports the efforts in **SB657** to make school district budgets more understandable and helpful, but believes the Legislature should be cautious in requiring changes. KASB believes that changes should be developed through a task force or some other method that would include input from those most directly involved in the school district budget process to avoid unintended consequences. (**Attachment 3**)

Bob Vancrum, USD 229, Blue Valley is concerned that the requirement in **SB657** to put all the federal funds into the budget will show a huge increase and the public will not understand. The legislature needs to be very careful in making any changes in budget requirements so that it will still be possible to compare school district to school district and, more importantly, to compare one year to the next year. (**no attachment**)

Craig Grant, KNEA, stated that under current law all funds had to be budgeted and this did cause some problems because it looked like money was left over and could be used for something else, but in fact, that money was intended to be carried over all along for expenses at the beginning of the next school year. If federal funds are budgeted, perhaps they need to be shown separately. Craig believes a summer study would be advisable. (**no attachment**)

Theresa Kiernan, Revisor of Statutes, explained **SB661**, a bill concerning school districts, relating to budget. This bill was just referred to the Committee and it was the decision of Chairman Umbarger and the Committee that there would be no hearings on this bill.

After discussion, it was consensus of the Committee that the **SB657** needed more study and should be sent

CONTINUATION SHEET

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to an interim committee.

Meeting adjourned at 9:20 a.m. No further meetings have been scheduled.