

## MINUTES OF THE SENATE EDUCATION COMMITTEE

The meeting was called to order by Chairman Jean Schodorf at 1:35 p.m. on February 2, 2005, in Room 123-S of the Capitol.

Committee members absent:

Committee staff present: Kathie Sparks, Kansas Legislative Research Department  
Shirley Higgins, Committee Secretary

Conferees appearing before the committee: David Carlson, School Financial Services Team, Wisconsin Department of Public Instruction

On behalf of Senator Dwayne Umbarger, Senator Schodorf requested the introduction of a bill concerning school districts. The bill would provide that the board of education of any school district which proposes to assign all pupils in one or more grade levels to one school building must adopt a resolution stating its intention. A public hearing on the proposal would be required after the adoption of the resolution.

Senator Vratil moved to introduce the bill, seconded by Senator Apple. The motion carried.

**Report on the collection of school district financial data**

Senator Schodorf informed the Committee that Representative Kathe Decker, who chairs the House Education Committee, recently attended a conference where David Carlson, Wisconsin Department of Public Instruction, demonstrated how Wisconsin collects data from school districts and makes it accessible to school personnel, state agency staff, and the public. Subsequently, Representative Decker asked Mr. Carlson to come to Kansas and present the information to the House and Senate Education Committees.

Mr. Carlson began his presentation by explaining that the Wisconsin School Aids Financial Reporting system (SAFR, pronounced "Sapphire") was designed to collect data for two major purposes – (1) to pay state aid and (2) to provide public information. He noted that the School Financial Services (SFS) Team is composed of 14 individuals whose primary responsibility is to pay \$4.6 billion state aid to school districts, and the team is known for its accuracy and customer service. He pointed out that Wisconsin's school finance system is significantly different from Kansas' system. Wisconsin's basic, underlying formula is called the "General Aid Formula," which is a tax base power equalizing formula that attempts to get at the premise that districts that spend at the same level will tax at the same rate. He outlined the Wisconsin categorical aid programs. He explained that Wisconsin's equalization aid and other aids are paid upon prior year data collected on the annual report (SAFR). He explained that, to ensure accuracy, equalization aid is calculated on district revenue/expenditure data verified by local auditing firms and by the SFS team. The SFS team certifies school district aid eligibility on October 15, and the district is then guaranteed that amount for the school year. He went on to say that SAFR collects school district financial data via the Internet, and it audits the data during submission. He noted that collecting data over the Internet is most efficient method, and it provides ease in reporting data for school districts. He explained that the SAFR program was developed by existing staff because additional resources were limited, and staff would be responsible for the yearly maintenance of the program. In addition, the SFS team strongly believed that the key to success would be how well it could communicate and train school district users with the new data submission application. In developing the SAFR program over a period of four years, the first step was to redesign the finance data chart of accounts and to expand the chart of accounts to reflect data in much greater detail. The second step was to identify the edits that would need to be captured in a "real time" auditing program. Mr. Carlson noted that a school district cannot submit their data until it passes all the edits. In conclusion, he reported that, in the first year, 98% of the school districts submitted their data within two weeks of the deadline. The Internet platform was down for only 30 minutes during the entire month-long reporting period. He noted that 12 of the 14 team members were trained to provide technical assistance to districts by telephone. However, requests for assistance were significantly less than expected, and only two team members per day were needed. To illustrate district users responses, he showed the Committee the Green Bay 2004-2005 school district budget report. The report, which was submitted in December, reflected the anticipated revenue and expenditures for the 2004-2005 school year. The data was used by the team to do aid projections for the following year. (Attachment 1)

## CONTINUATION SHEET

MINUTES OF THE Senate Education Committee at 1:35 p.m. on February 2,2005, in Room 123-S of the Capitol.

Mr. Carlson informed the Committee that the text of his SAFR power point presentation, information on the SFS Team, and background information on Wisconsin's system of school finance could be found at the following web site: [www.dpi.state.wi.us/dpi/dfm/sfms/kansas.html](http://www.dpi.state.wi.us/dpi/dfm/sfms/kansas.html). In addition, he distributed a copy of the resource web page for SAFR. (Attachment 2)

Senator Schodorf called attention to copies of samples of school district data found on the Kansas State Department of Education website under "Budget at a Glance" to which Dale Dennis, Deputy Commissioner, State Department of Education, referred at a previous meeting. (Attachment 3)

The meeting was adjourned at 2:30 p.m.

The next meeting is scheduled for February 3, 2004.