

Steven L. Beshear  
Governor



Terry Holliday, Ph.D.  
Commissioner of Education

**EDUCATION AND WORKFORCE DEVELOPMENT CABINET  
DEPARTMENT OF EDUCATION**

Capital Plaza Tower • 500 Mero Street • Frankfort, Kentucky 40601  
Phone: (502) 564-4770 • [www.education.ky.gov](http://www.education.ky.gov)

**MEMORANDUM**

TO: Kentucky Board of Education (KBE) Members

FROM: Hiren Desai, Associate Commissioner  
Office of Administration and Support

DATE: April 9, 2014

RE: Update on Biennial Budget 2015-2016 (FY15 and FY16)

As you are aware, the Kentucky General Assembly passed a biennial budget for the next two (2) fiscal years in April 2014. Overall, the enacted KDE budget was a tremendous success for K-12 education.

1. Approximately \$141 million in FY15 and \$211 million in FY16 (a total of \$352 million) in additional general funds were approved for the benefit of the Commonwealth's 173 school districts.
2. The top four priorities of the state Board of Education - SEEK, Flexible Focus, Technology, and Career and Technical Education (CTE) - all received a significant funding increase.

Several highlights of the biennial budget included:

- ✓ SEEK Funding was increased by approximately \$189 million to aid districts in providing both certified and classified salary increases for school district employees (1% in FY15 and 2% in FY16). This also resulted in the per pupil amount being increased from the current \$3,827 to \$3,911 in FY15 and \$3,981 in FY16.
- ✓ Technology funding was increased by \$2,900,000 in FY15 and \$5,800,000 in FY16 to provide increased bandwidth to local school districts.
- ✓ \$800,000 was provided for a Statewide IT Academy in FY16.
- ✓ CTE was provided with \$3,000,000 in both fiscal years for additional staffing in Area Technology Centers.
- ✓ \$250,000 was provided in FY15 for a Regional Collaborative Career Academy.
- ✓ \$800,000 in FY15 and \$1,200,000 in FY16 was provided for Advance Kentucky.
- ✓ State Agency Children funding was increased by \$500,000 in both fiscal years.
- ✓ \$250,000 was provided in both fiscal years for Teach for America.

- ✓ Flexible Focus grants were increased by approximately \$30 million in FY15 and approximately \$61 million in FY16 (including an expansion of Preschool from 150% to 160%). A breakdown is provided below:

<b>Flexible Focus Grants</b>	<b>Current (FY14)</b>	<b>FY 15</b>	<b>Change from FY14</b>	<b>FY16</b>	<b>Change from FY14</b>
Extended School Services	\$12,301,200	\$19,105,900	\$6,804,700	\$25,510,700	\$13,209,500
Professional Development	\$5,370,000	\$8,848,800	\$3,478,800	\$11,927,700	\$6,557,700
Safe Schools	\$4,157,400	\$7,267,800	\$3,110,400	\$10,378,300	\$6,220,900
Instructional Resources	\$0	\$16,700,000	\$16,700,000	\$16,700,000	\$16,700,000
<b>Total Flex Focus without Preschool</b>	<b>\$21,828,600</b>	<b>\$51,922,500</b>	<b>\$30,093,900</b>	<b>\$64,516,700</b>	<b>\$42,688,100</b>
Preschool Expansion	\$71,315,300	\$71,315,300	\$0	\$90,113,200	\$18,797,900

- ✓ In addition, the budget also included salary increments for all state employees in FY15 as follows:

**Annual Base Salary or Wages**

\$0 to \$27,000.00

\$27,000.01 to \$36,000.00

\$36,000.01 to \$50,000.00

\$50,000.01 and above

**2014-15**

5%

3%

2%

1%

In FY16, a 1% salary increment is provided across the board for all state employees.

In conclusion, the next biennial budget shows a strong reinvestment by the Governor and the General Assembly in K-12 education.

Please let me know if you have any additional questions.

Cc: KDE Planning Committee

## **Enacted Legislation – Signed by the Governor**

**HB 87** (Rep. Yonts) – requires the Kentucky Center for Education and Workforce Statistics (KCEWS) to disseminate, in cooperation with the Council on Postsecondary Education (CPE) and the Department of Education (KDE), information on the employment and earnings of the public postsecondary institution graduates in Kentucky. This information must be updated at least every three (3) years and must be posted on the websites of KCEWS, CPE, and each public postsecondary institution. The website address must also be published in each institution's catalogue. The information must be made available to every high school guidance and career counselor.

**HB 98** (Rep. Damron) – allows health services provided in a school setting to be administered by a nonlicensed health technician. Beginning July 15, 2014, local boards must have at least one (1) school employee at each school who has met the training requirements outlined to administer or assist with the self-administration of glucagon subcutaneously; insulin subcutaneously; or a seizure rescue medication.

Parents must annually provide the school with a written authorization to administer the medication at school and a written statement from the health care provider outlining required information. Students with diabetes can also self-administer medications and blood glucose checks, but must also have written authorization from the parent and physician to do so.

Also beginning July 15, 2014, a school district must permit a student who has diabetes or a seizure disorder to attend the same school the student would attend if the student did not have diabetes or a seizure disorder.

**HB 211** (Rep. Adkins) – rolls three bills into one. First, it confirms Executive Order 2013-518, which reorganizes various offices in the Education and Workforce Development Cabinet (EWDC). Second, it adds the provisions of HB 383 HCS, which defines "minimum school term," "student attendance day," "student instructional year," and "teacher professional day." It also establishes a process to amend a school calendar due to an emergency and allows a student attendance day to exceed 7 hours, under specific conditions. Third, the bill also adds the House and Senate compromise on granting relief for the 2013-2014 school year due to inclement weather.

**SB 20** (Sen. Carpenter) – designates October as Anti-Bullying Month in Kentucky and a purple and yellow ribbon as the symbol for anti-bullying awareness.

**SB 109** (Sen. Hornback) – updates various statutes related to tobacco products and their use. The language prohibits the sale, through retail and vending machines, of tobacco products to minors and adds to the prohibition and defines the terms "alternative nicotine product" and "vapor product (which includes electronic cigarettes)".

**SB 176** (Sen. Harper-Angel) – expands the Cabinet for Health and Family Services' (CHFS) statewide service program to include an expanded definition of caregivers to include an adult person with whom a minor resides but isn't the biological parent, including a grandparent, step-grandparent, step-parent, aunt, uncle, or any other adult relative of the minor. This includes establishing an affidavit for caregivers to authorize health care treatment and school-related decisions for children in their care.

**SB 192** (Sen. Palmer) – includes special law enforcement officers employed by school districts in the definition of "police officer" and allows special law enforcement officers employed by school districts to be eligible for certain Kentucky Office of Homeland Security grants for the purchase of body armor; firearms or ammunition; and electronic control devices, electronic control weapons, or electro-muscular disruption technology.

#### **Enacted Legislation – Delivered to the Governor for Signature**

**HB 5** (Rep. Butler) – addresses the safety and security of personal information held by public agencies and requires public agencies and nonaffiliated third parties to implement, maintain, and update security procedures and practices, including taking any appropriate corrective action to safeguard against security breaches. Any security and breach investigation procedures implemented by local school districts must be in accordance with any regulations promulgated by the Kentucky Board of Education (KBE).

**HB 26** (Rep. Rowland) – specifies that school district employees considered full-time under the federal Affordable Care Act are eligible for the state-funded contribution for the state health insurance plan offered by school districts.

**HB 75** (Rep. Graham) – expands the number of components within the superintendent's training program and assessment center and requires a superintendent to complete the assessment center process within two years of taking office as a superintendent.

**HB 79** (Rep. Richards) – allows a local board of education to provide services to refugees and legal aliens until the student graduates or until the end of the school year in which the student reached the age of 21, whichever occurs first.

**HB 232** (Rep. Riggs) – requires consumer notification when a data breach reveals personally identifiable information. The language also requires cloud computing service providers contracting with educational institutions to maintain security of student data and allows the KBE to promulgate regulations as needed.

**HB 235** (Rep. Rand) – the State/Executive Branch Budget provides appropriations and financing for the operations, maintenance, support, and functioning of the government of the Commonwealth of Kentucky and its various officers, cabinets, departments, boards, commissions, institutions, subdivisions, agencies, and other state-supported activities.

**HJR 19** (Rep. Nelson) – honors Kentucky Retired Teachers by establishing the third week of October to be Kentucky Retired Teachers' Week.