* ***2014-16 Budget Update***

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.

* Approximately $141 million in FY15 and $228 million in FY16 (a total of $369 million) in additional general funds were approved for the benefit of the Commonwealth’s 173 school districts.
* The top four priorities of the Kentucky 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 include:

* 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 AdvanceKentucky.
* 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:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Flexible Focus Grants** | **Current (FY14)** | **FY 15** | **Change from FY14** | **FY16** | **Change from FY14** |
| 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 |
| Total Flex Focus without Preschool | $21,828,600 | $51,922,500 | **$30,093,900** | $64,516,700 | **$42,688,100** |
| Preschool Expansion | $71,315,300 | $71,315,300 | $0 | $90,113,200 | **$18,797,900** |

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